



Two Park Avenue
New York, NY
10016-5990 U.S.A.

m
tel 1.212.591.7000
fax 1.212.591.7674
www.asme.org

2019-2020 BOARD OF GOVERNORS

Salt Lake Downtown Marriott at City Creek, Salt Lake City, Utah
November 10, 2019

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, Joe Fowler, Robert Grimes, Laura Hitchcock, Michael Molnar,
Mary Lynn Realff and Karen Thole
Absent: Thomas Kurfess, Stuart Cameron
Executive Director/CEO: Thomas Costabile

Other Officers

Senior Vice Presidents: Kalan Guiley, Public Affairs and Outreach
Sam Korellis, Standards and Certification Sector
George Papadopoulos, Technical Events and Content
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.
Governors Elect: Andy Bicos, Rick Marboe, Paul Stevenson

Staff

RuthAnn Bigley Manager, Governance Programs
Grace Bolan S&C Project Engineer
Clare Bruff Senior Manager, Volunteer Leadership Development & Diversity
Susie Cabanas Manager, Global Alliances and Board Operations
Melissa Carl Director, Diversity & Volunteer Training
Peter Cestaro Managing Director, Benefits
Michael Cowan Director, Strategic Communications

Gretchen Crutchfield	ASME Foundation
Camille Cruz	Senior Manager, Segment Operations
Philip DiVietro	Managing Director, Publishing
Tim Graves	Managing Director, Technology & Engineering Committee
Karl Hafner	Senior Desktop Support Specialist
Jamie Hart	Senior Manager, Segment Operations
John Hasselmann	Managing Director, Global Public Affairs
Heidi Hijikata	Director, International Relations
Deborah Holton	Managing Director, Industry Events/TABD
Kathryn Hyam	Manager, S&C Project Engineering
Michael Johnson	Chief Strategy Officer
Dennis Kilian	Managing Director, Corporate Sales
Phyllis Klasky	Director, Events Management
Jon Labrador	Managing Director, Conformity Assessment
Camille Lenge	Managing Director, Human Resources
Joseph Leonardi	Help Desk Representative
Kathleen Lobb	Managing Director, Philanthropy
Tom Meehan	Managing Director, Controller
Jeff Patterson	Chief Operating Officer
Allian Pratt	Managing Director, Global Alliances & Board Operations
Claire Ramspeck	Managing Director, Standards
Laurel Raso	Chief Human Resources Officer
Patti Jo Rosenthal	Manager, K-12 Programs
Karen Russo	Director, Global Outreach and Board Operations
Anand Sethupathy	Managing Director, Programs
Svetlana Shaknes	Director, Market Intelligence
Luwisa Smart	Coordinator, Constituent Engagement and Experience
David Soukup	Managing Director, Governance
Mel Torre	Manager, Corporate Communications
Kimberly Verderber	S&C Project Engineer
Angelique Vesey	Director, Segment Operations
Stephanie Viola	Director, Corporate & Foundation Relations

Other Attendees

Frank Adamek	ASME Foundation
Mahesh Aggarwal	Chair, DISC
Judith Bamberger	Nominating Committee
Fred Barez	Mechanical Engineering Department Head Committee
Dean Bartles	Guest
Howard Berkof	VOLT Chair
John Blanton	TEC/GEC
Betty Bowersox	COFI Chair
Ruander Cardenas	VOLT Executive Committee
Jennifer Cooper	DISC Member
Artin Dermenjian	Honorary Member of the Standards Committee on Operation and Maintenance of Nuclear Power Plants
Pasquale Dell'Aquila	Project Management Consultant

Warren Devries	Pension Plan Trustee
Nicole Dyess	Nominating Committee Consultant
Salar Effari	Student
Reuben Fikreyesus	ECLIPSE Intern
Mahantesh Hiremath	Past Governor
Amos E. Holt	Past President, 2009-2010
Mo Hosni	Council on Standards & Certification
Bernard Hrubala	Council on Standards & Certification
Franz Josef Kahlen	Region Group Leader, Middle East & Africa
Colleen Kennedy	Oregon Section Chair
Madiha Kotb	Past President, 2014-2014
Alma Martinez-Fallon	VOLT Executive Committee
Majid Minary	Member, UTD Faculty
Lesego Mohlala	Student
John Mulvihill	Group Engagement Committee
David Morris	Regional Group Lead, Europe
Jared Oehring	Nominating Committee Consultant
Karen Ohland	Member, COFI
Mina Pelegri	Engineering Sciences Segment
Thomas Pestorius	Philanthropic Committee
Oviroh Peter	ECLIPSE Intern (DISC)
Daniel Peters	Energy Sources and Processing Segment
Vicki Risinger	Petroleum Division Chair
Keith Roe	Philanthropy Committee Chair, Past President, 2016-2017
Victoria Rockwell	Past President, 2011-2012
Matt Schulte	ECLIPSE Committee
Terry Shoup	Past President, 2006-2007
Susan Skemp	Past President, 2002-2003
Robert Sims	Past President, 2014-2015
Fred Stong	Chair, COR
Callie Tourigny	Senior Vice President, Student & Early Career Development
Reginald Vachon	Past President, 2003-2004
Steven Wallace	Vice Chair, Standards & Certification
Charla Wise	Past President, 2017-2018
Sam Zamrik	Past President, 2007-2008

1. **Opening of Meeting**

- 1.1 Call to Order: On November 10, 2019, a meeting of the 2019-2020 Board of Governors of the American Society of Mechanical Engineers was held at the Salt Lake Marriott Downtown at City Creek Hotel. A quorum was present, and the meeting was called to order by President Laudenat at 9:04 AM Mountain Standard Time.

- 1.2 Adoption of the Agenda: The Board voted to adopt the agenda as circulated on October 30, 2019.

- 1.3 President's Remarks: Mr. Laudenat provided a brief overview of some ASME activities since the last Board meeting. He participated in several meetings and stated that whenever he attends such meetings, he sees an opportunity for collaboration with the Senior Vice Presidents.

The theme of the Industry Advisory Board (IAB) meeting held in the fall in Washington, DC, was digital transformation of design, implementation and life cycle management. Another meeting he attended was the gas turbine summit leadership team's 2-day event. He noted the quality of team membership and its strategic outlook.

Looking ahead, Mr. Laudenat pointed out that there will be a formal presentation at the annual meeting on social return on investment, and he also expressed an interest in having a conversation about the role of COFI. He looks forward to discussing the subject during the next Board meeting.

President Laudenat concluded his remarks by congratulating the following Sections that are celebrating their 100th anniversary this year: Cleveland, Hudson Mohawk, Rochester, Washington, D.C., Oregon, Western Washington, Mid-Continent, South Texas, Colorado, and Virginia.

- 1.4 Executive Director/CEO's Remarks: Mr. Costabile began his remarks by thanking everyone for their attendance and expressing his appreciation for everyone's guidance and support.

He provided a summary of the new membership model that has been developed and has enabled the team to prioritize membership benefits. Data from the research will assist in evaluating the potential for implementing the new model or developing different member benefits. He added that there are cross-department project teams working on this model: membership development, technology services, the project management office (PMO), digital, marketing and various business units. The focus is on the value of joining ASME and retaining members.

Mr. Costabile further reported that:

- In June, a small group of volunteers and staff was charged with developing the framework for an international strategy. More work remains on how to develop society-wide strategic objectives;
- The new website with its volunteer communities feature is functioning as planned. The IT team is working to ensure that ASME is better able to communicate with all volunteers as well as cleaning up the existing membership database; and
- The VOLT Committee under Howard Berkof's leadership agreed that the new structure works well and will help us move forward quickly. There is renewed interest and excitement under Clare Bruff and Melissa Carl's guidance.

Mr. Costabile then provided a snapshot comparison report on key staff and hiring (Minutes Appendix 1.4.1). He called on Laurel Raso for an update and reminded the Board that the goal is to be competitive and able to attract young talent.

Jeff Patterson was called upon to show some results from the recently completed quantitative member survey (Minutes Appendix 1.4.2). The information reflects the sentiments of the division volunteers.

In closing, Mr. Costabile commented that the Chinese/American tariff negotiations have detrimentally affected the Society's standards and conformity assessment activity. It will be more difficult to generate a surplus in these areas.

1.5 Consent Items for Action: Requests were made to pull 1.5.3 and 1.5.4 from the consent list:

1.5.3 By-Law Amendment – B5.2 and B5.3 Diversity and Inclusion Strategy Committee, Volunteer Leadership Training and Industry Advisory Board, First Reading (Minutes Appendix 1.5.3)

1.5.4 By-Law Amendments – Sector Management Committee and its Members, First Reading

The Board

VOTED: to approve the following items on the consent agenda:

1.5.1 Approval of Minutes from September 25, 2019 Meeting

1.5.2 By-Law Amendment – B4.3.8, B5.2.1, B5.2.10.2 and B5.6 Member Development and Engagement (Minutes Appendix 1.5.2)

1.5.5 Policy 15.4 and Adoption of B-3.1.14 and B-3.3, Second Reading (Minutes Appendix 1.5.5)

1.5.6 By-Law Amendment – B5.2.8.2 Committee of Past Presidents (Minutes Appendix 1.5.6)

1.5.7 ASME Vision and Mission Statements (Minutes Appendix 1.5.7)

1.5.8 Proposed Appointments (Minutes Appendix 1.5.8)

In conjunction with item 1.5.3 there was discussion on the pros and cons of VOLT reporting to SMC and where it should reside. The Board

VOTED: to approve item 1.5.3 without including VOLT.

A subsequent motion was made with respect to retaining item 1.5.3 in its entirety. (Minutes Appendix 1.5.3) The previous vote on 1.5.3 was rescinded and the Board

VOTED: to approve item 1.5.3 in its entirety.

On item 1.5.4 clarification is needed on the voting membership of staff on Board Committees. The discussion was tabled.

2. Open Session Agenda Items

2.1 Diversity & Inclusion: Mahesh Aggarwal and Jennifer Cooper presented an overview of the work that has been done to better define and communicate the Society's guiding principles on diversity and inclusion. (Minutes Appendix 2.1)

2.2 TEC Organization: George Papadopoulos provided a summary of his vision for the TEC structure with proposed changes for enhancement. Immediately following the presentation, President Laudenat recommended an action plan moving forward. (Minutes Appendix 2.2)

President Laudenat asked for the Board's general concurrence to move ahead with the action plan, with the structural changes to be put forward for vote at a later time. No formal action was taken.

2.3 The Future of Standards and Certification Presentation: Sam Korellis and Claire Ramspeck gave a presentation on the current status of Standards & Certification and discussed their strategy moving forward. (Minutes Appendix 2.3)

2.4 Culture Survey: Tom Costabile and Laurel Raso presented information on two staff culture surveys. The first survey was held in 2017 and the most recent in April 2019. (Minutes Appendix 2.4)

Managing Directors are having meetings with their teams to discuss the survey results and how they can engage to improve the culture and empower staff to implement positive change.

2.5 Strategy Advisory Committee: The Board addressed the status of the SAC. (Minutes Appendix 2.5) After discussion, a motion was made to sunset the SAC. The Board

VOTED: to sunset the SAC.

2.6 Changes to the ASME Officer Nomination and Selection Process: Nicole Kaufman Dyess and Jared Oehring presented their recommendations for changes to the officer nomination and selection process. In addition, they proposed an implementation timeline for the proposed Constitution and Bylaw amendments and an initial Operation Guide for the re-formed Nominating Committee. (Minutes Appendix 2.6)

President Laudenat requested that Board Members send their comments to the PEDT. He requested responses back in the next couple of weeks from each of the Board Members as to their preference.

2.7 FY20 ED/CEO Goals: Tom Costabile presented his proposed FY20 Annual Performance Goals and Incentive Goals along with a status update as of Q1 FY20 (Minutes Appendix 2.7). There were no questions regarding the proposal. The Board

VOTED: to approve and accept the ED/CEO's proposed goals for FY20.

3. New Business – No new business was discussed.

4. Open Session Information Items


4.1 Sector Management Committee Report: Immediate Past President Said Jahanmir asked the Board to consider changing the format of the report that currently comprises simply a compilation of reports from the individual Sectors. No action was taken.

4.3 Dates of Future Meetings

DATE	DAY	TIME	LOCATION
January-February 2020	TBD	TBD	Conference Call
April 2020	TBD	TBD	Conference Call
June 14, 2020	Sunday	8:30 AM – 4:30 PM	Boston, Massachusetts
June 17, 2020*	Wednesday	10:00 – 3:00 PM	Boston, Massachusetts

*2020-2021 Board of Governors

5. Adjournment – The meeting adjourned on Sunday, November 10, 2019 at 3:30 pm.



Robert N. Pangborn
Secretary

List of Appendices

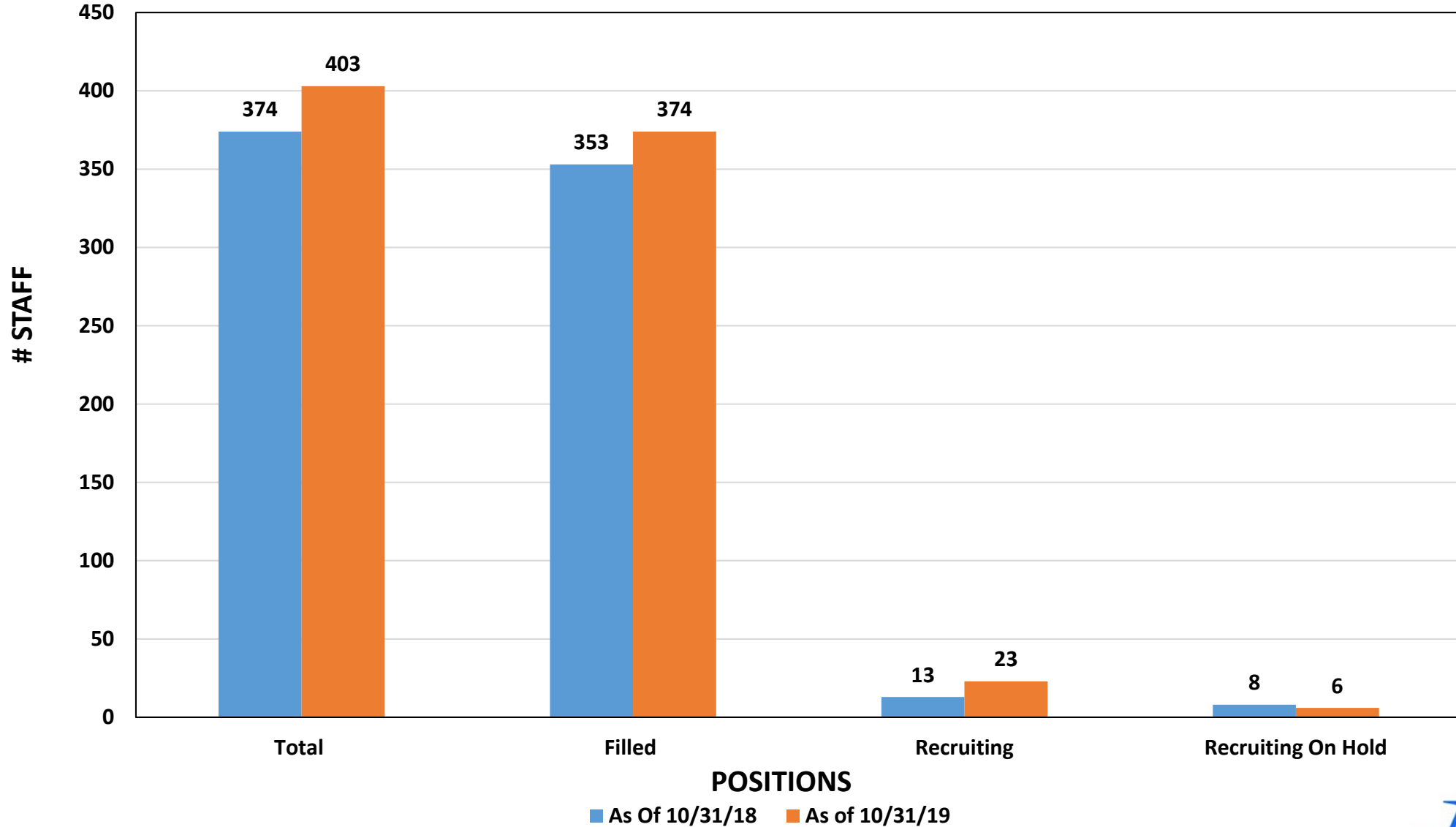
- 1.4.1 ED/CEO Update: Key staff and hiring
- 1.4.2 ED/CEO Update: Quantitative Survey
- 1.5.2 By-Law Amendment – B4.3.8, B5.2.1, B5.2.10.1 and B5.6 Member Development and Engagement
- 1.5.3 By-Law Amendment – B5.2 and B5.3 Diversity & Inclusion Strategy Committee, Volunteer Leadership Training, and the Industry Advisory Board, First Reading
- 1.5.4 By-Law Amendments – Sector Management Committee and its Members, First Reading
- 1.5.5 Policy 15.4 and Adoption of B-3.1.14 and B-3.3, Second Reading
- 1.5.6 By-Law Amendment – B5.2.8.2 Committee of Past Presidents
- 1.5.7 ASME Vision and Mission Statements
- 1.5.8 Proposed Appointments
- 2.1 Diversity & Inclusion
- 2.2 TEC Organization
- 2.3 The Future of Standards & Certification
- 2.4 Culture Survey
- 2.5 Strategy Advisory Committee
- 2.6 Changes to the ASME Officer Nomination and Selection Process
- 2.7 FY20 ED/CEO Goals

Executive Director/CEO's Remarks

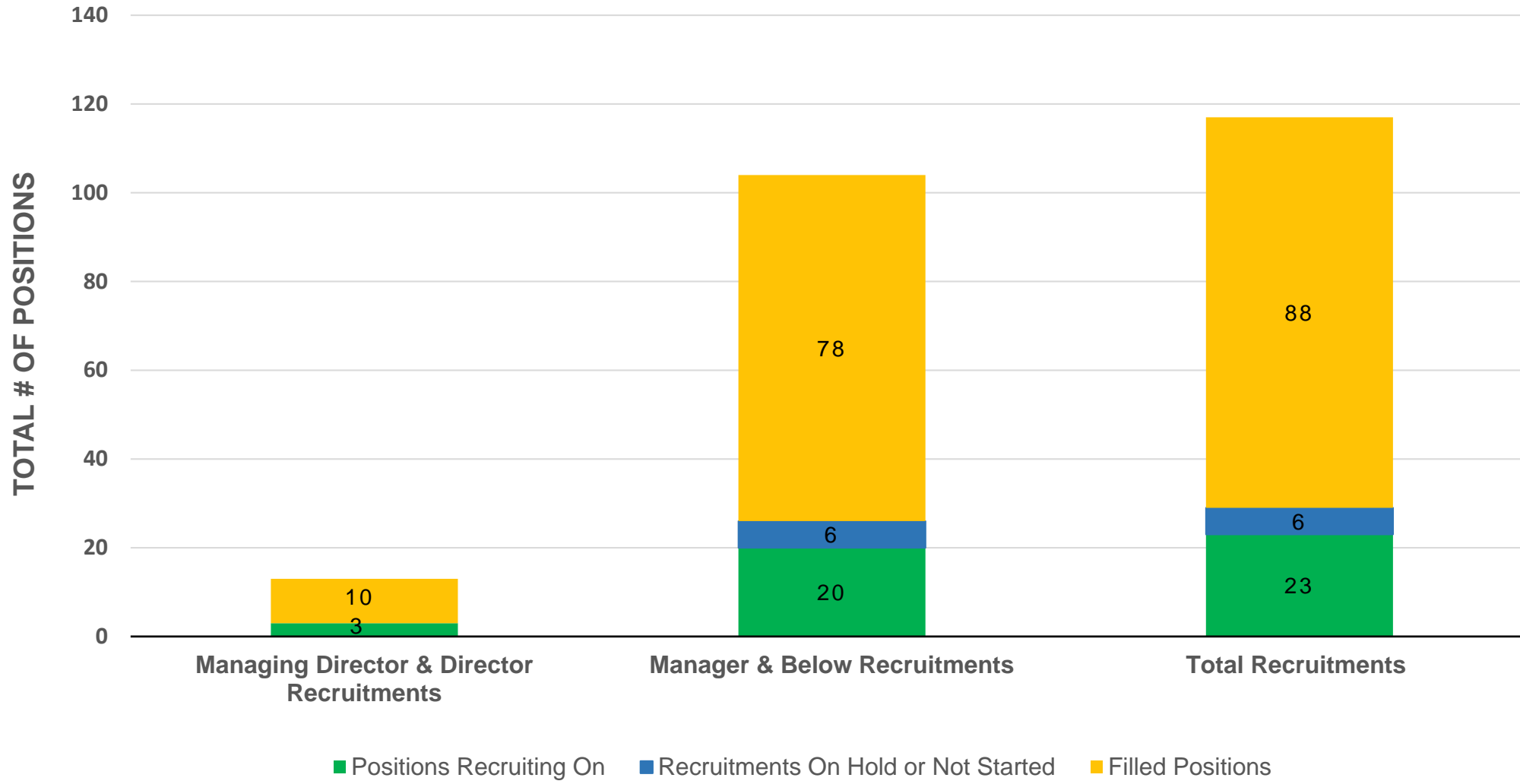
Tom Costabile

Snapshot Comparison Report on Key Staff and Hiring

STAFFING SNAPSHOT COMPARISON: 10/31/18 vs. 10/31/19

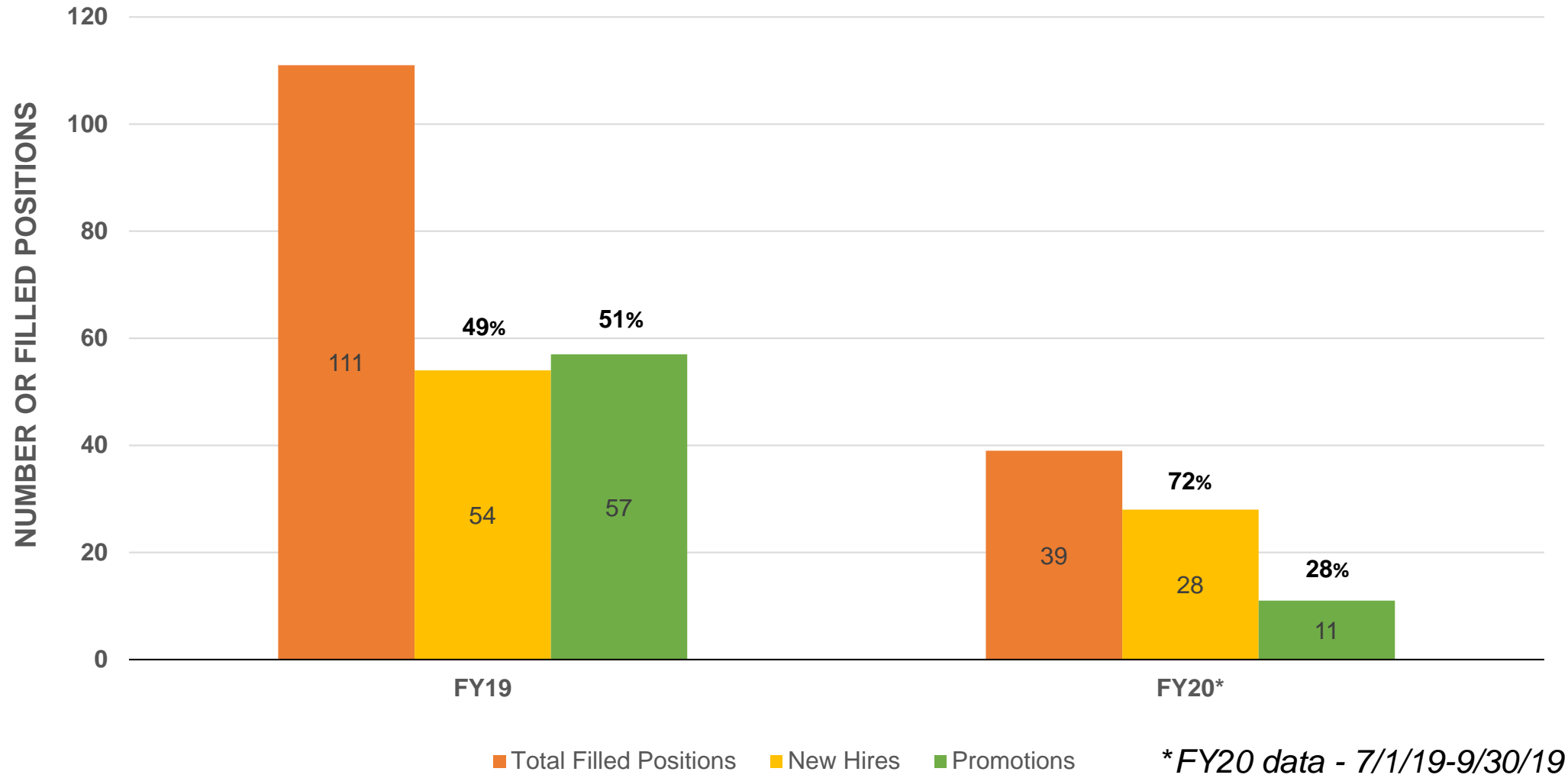


ASME Recruitment Activity from 10/23/18 thru 10/29/19



BUILDING STAFF CAPABILITY

External hires vs. Internal promotions

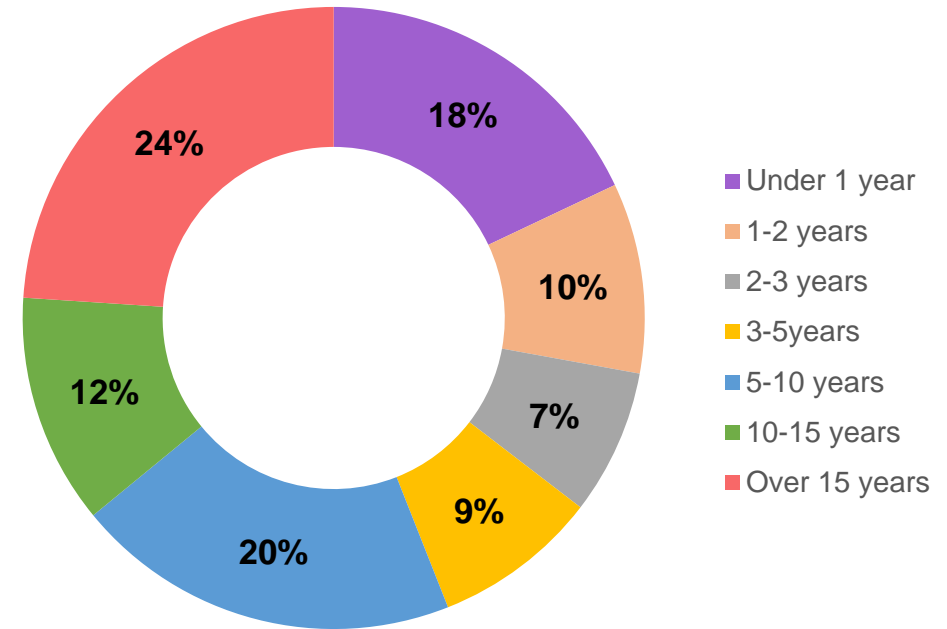
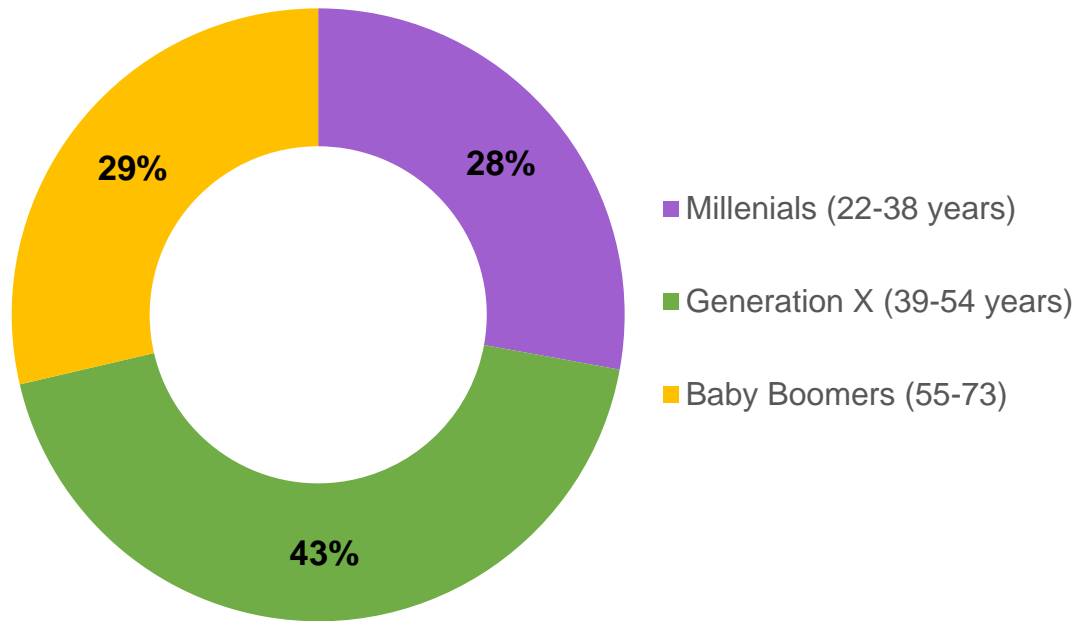


GENERATIONAL COMPOSITION AND TENURE Reported as of FY20 Q1

GENERATIONAL COMPOSITION

Average Age: 46

AVERAGE TENURE: 10



Brief Overview of Division Volunteers – Quantitative Member Survey Results

Tom Costabile

Follow up investigation of the topics raised during a series of in-depth interviews with Division heads

PROJECT OBJECTIVES

Compare views, attitudes and perceptions of Division leaders and non-leader volunteers and use data to foster greater engagement and satisfaction



338

responses from Technical Division volunteers, including Division leaders and non-leadership volunteers

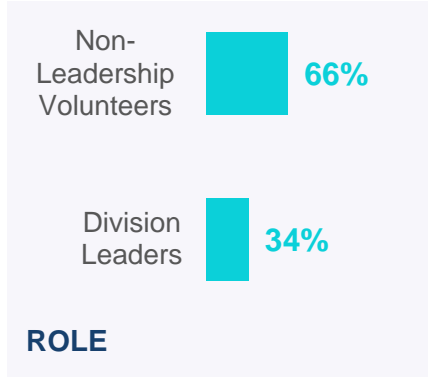
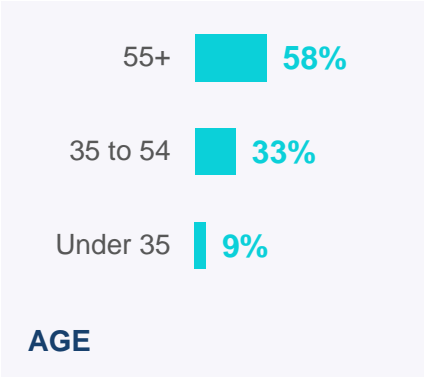
25.4%

response rate (338 out of 1,330)

16 out of 33

previously interviewed Division leaders participated in the study

RESPONDENTS BY



INTERVIEWS WITH DIVISION CHAIRS:
Apr. 2019 – Jun. 2019



SURVEY IN THE FIELD AND ANALYSIS:
Aug. 2019 – Oct. 2019



REPORTING:
Nov. 2019



There are significant differences in sentiment between Division leaders and non-leaders on certain attributes:

We compared the percentage of leaders and non-leader volunteers who are satisfied or very satisfied for each attribute to determine where the gaps are the largest

% Satisfied and Very Satisfied with Aspects of Volunteering where gaps are greater than 15 pct.

Aspects of Volunteers	Leaders [91]	Non-Leadership Division Volunteers [161]	Difference
ASME IT Tools	44%	72%	28%
Structure of ASME volunteer organization overall	62%	84%	22%
Interaction with ASME Board of Governors	47%	66%	19%
Communications I receive from ASME	65%	83%	18%
Collaboration across Divisions/Segments and Sections	63%	78%	15%

Questions were answered using a four-point scale:

- Very satisfied
- Somewhat satisfied
- Somewhat dissatisfied
- Very dissatisfied

Q. Overall, how satisfied are you with your experience as an ASME volunteer?

Statements for which the gaps are narrower are:

Questions were answered using a four-point scale:

- Very satisfied
- Somewhat satisfied
- Somewhat dissatisfied
- Very dissatisfied

% Satisfied and Very Satisfied with Aspects of Volunteering where the gaps are between 6 and 12 pct.

Aspects of Volunteers	Leaders [91]	Non-Leadership Division Volunteers [161]	Difference
The way ASME has explained the role that its staff plays in supporting volunteers	70%	82%	12%
Degree to which my voice is heard	73%	84%	11%
ASME staff support	80%	89%	9%
Interaction with ASME leadership	71%	81%	9%
The way ASME has explained my role and responsibilities as a volunteer	80%	88%	8%
Structure of your Division/Section	94%	88%	6%

% Satisfied and Very Satisfied with Aspects of Volunteering where gaps are 5 pct. or smaller

Statements for which leaders and non-leaders are closely aligned on their satisfaction are:

Questions were answered using a four-point scale:

- Very satisfied
- Somewhat satisfied
- Somewhat dissatisfied
- Very dissatisfied

Aspects of Volunteers	Leaders [91]	Non-Leadership Division Volunteers [161]	Difference
The recognition ASME provides me as a volunteer	80%	85%	5%
Collaboration between your volunteer group(s) and other groups	79%	84%	5%
The financial support provided by ASME to support my volunteer efforts	55%	60%	5%
The training/preparation I received for my volunteer role	74%	78%	4%
Governance and processes of your Division/Section/Volunteer Group	85%	89%	4%
The interaction between volunteers	94%	92%	2%
The non-monetary and logistical support provided by ASME to support my volunteer efforts	77%	79%	2%
Volunteer recruitment, selection and succession processes	80%	80%	⁹ 0%

Q. Overall, how satisfied are you with your experience as an ASME volunteer?



Board of Governors Meeting Agenda Item Cover Memo

Date Submitted:	October 10, 2019
BOG Meeting Date:	November 10, 2019
To:	Board of Governors
From:	Committee on Organization and Rules
Presented by:	Fred Stong
Agenda Title:	By-Law Amendment – Member Development and Engagement Sector

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 approve new By-Law B5.6 and changes to By-Laws B4.3.8, B5.2.1 and B5.2.10.2 for first reading.

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:	October 10, 2019
BOG Meeting Date:	November 10, 2019
To:	Board of Governors
From:	Committee on Organization and Rules
Presented by:	Fred Stong
Agenda Title:	By-Law Amendment – Diversity & Inclusion Strategy Committee, Volunteer Orientation and Leadership Training Academy, and the Industry Advisory Board

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 at the November Board of Governors meeting is to approve the changes to By-Laws B-5.2 and B-5.3 for first reading. The actions to be taken at the January-February 2020 Board of Governors meeting will be 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 approve 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 for first reading.

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

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.~~



P-4.4
6/19

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.

P-4.4
6/19

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

P-4.4
6/19

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.

Formatted: Indent: First line: 0"

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

Formatted: Indent: Left: 1.5", No bullets or numbering

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

P-4.4
6/19

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:

P-4.4
6/19

- 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

P-4.4
6/19

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

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

Date Submitted: October 17, 2019
BOG Meeting Date: November 10, 2019

To: Board of Governors
From: Committee on Organization and Rules
Presented by: Fred Stong
Agenda Title: Change to Society Policy P-15.4 and Adoption of B-3.1.14 and B-3.3

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

The Committee of Past Presidents, which has oversight responsibility for the ethical practice of engineering through the Ethics Committee, a subcommittee of the Committee of Past Presidents, is recommending changes to the procedures for handling an ethics case.

These changes affect Society Policy P-15.4 and By-Laws B3.1.14 and B-3.3. At the September Board of Governors meeting, the changes to By-Laws B-3.1.14 and B-3.3 were approved for first reading. The actions to be taken at the November Board of Governors meeting will be to adopt the changes to By-Laws B-3.1.14 and B-3.3 and to approve the changes to Society Policy P-15.4.

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

To adopt changes to By-Laws B-3.1.14 and B-3.3 and approve changes for Society Policy P-15.4.

Attachments: Revised Policy and By-Laws.

CHANGES TO B3.1.14 and B3.3

B3.1.14 When a request is received for a member's resignation, the Membership staff will adjust the member's record. Member resignations are reported in the demographic report issued monthly.

After a complaint or charge of unethical conduct based on the provisions of the Constitution, By-Laws, or Code of Ethics has been filed against a member, the member may resign with the stipulation that the Society will not accept any later application for renewed membership. Nevertheless, the Society will accept an application for renewed membership if:

- a. The designated member of the ~~Investigative Panel-Committee of Past Presidents~~, in accordance with established policies and procedures, has certified to the Executive Director that the complaint has been examined and is not a matter for action by the Society; or
- b. The member has been cleared of all charges ~~by a Hearing Board~~ under the established procedures of the Society.

Formatted: Indent: First line: 0"

B3.3.1 Any member who has been found ~~to have violated~~~~guilty of a charge of violating~~ the Constitution, By-Laws or Code of Ethics of the Society, may be expelled by the affirmative vote of seven members of the Board of Governors. ~~after being given the opportunity to be heard.~~

Formatted: Font: Not Bold

Formatted: Left, Indent: Left: 0", Hanging: 0.69"

B3.3.2 The Board of Governors shall vote on the expulsion of any member only upon the recommendation of an ~~Investigative Panel-Hearing Board~~ appointed to hear the accusation and the defense. ~~The Board of Governors shall not be bound by the recommendation of the Investigative Panel and shall make its own determination of any disciplinary action.~~

B3.3.3 The ~~Investigative Panel-Hearing Board~~ which shall hear and present a report upon charges against an accused member shall be chosen from among ~~the available past Presidents of the Society's staff or membership (or both). Each Hearing Board will be appointed by the President of the Society~~ The Executive Director, in consultation with the Chair of the Ethics Committee, will appoint the members of an ~~Investigative Panel~~ ~~Hearing Board~~ which will be specific to a particular case. Members of an ~~Investigative Panel~~ ~~Hearing Board~~ will continue to serve until the case assigned to that ~~Investigative Panel-Hearing Board~~ has been completed.

SOCIETY POLICY

06/2019

ETHICAL CONDUCT VIOLATION PROCEDURES

I. PREFACE

- A. Article C2.1.1 of the Constitution states in part, “The purposes of this Society are to: ... Promote a high level of ethical practice. In all professional and business relations the members of the Society shall be governed by the Code of Ethics as stated in the Society Policies.”
- B. By-Law B2.1 states in part: “To promote the art, science and practice of mechanical and multidisciplinary engineering and allied sciences to diverse communities throughout the world the Society shall:...

ETHICAL PRACTICE

Maintain a Code of Ethics of Engineers consistent with the standards of the profession.

Promote and encourage practice in the profession within this code.

Arrange for adjudication within the structure of the Society for violations of the code brought to its attention.”

- C. By-Law B3.3.1 states in part: “Any member who has been found to have violated the Constitution, By-Laws or Code of Ethics of the Society, may be expelled by the affirmative vote of seven members of the Board of Governors.”
- D. ASME requires ethical conduct by its members and adherence to the provisions of the Constitution, By-Laws, Society Policies, and the Code of Ethics. There may be occasions when a complaint of unethical conduct is filed against a member of the Society, and the following procedure is designed to ensure a prompt, thorough investigation and disposition of the matter. It is in the best interests of the member against whom a complaint has been filed, the Society, and the profession that such matters be handled in an impartial and confidential manner. Members and staff involved in the investigation and disposition of such cases shall not disclose particulars of any case except as required by their assigned duties.
- E. Occasionally, complaints are brought to the attention of the Society rising out of a dispute between an employer or employee or between the parties to a contract. Ordinarily, such disputes are properly resolved through legal and commercial channels and not through an ethics complaint and inquiry.
- F. The Ethics Committee and the Executive Director of the Society have the responsibility for implementing the procedure defined in this Society Policy.
- G. At any phase of a complaint the Executive Director may, at his or her discretion, request the advice of Legal Counsel.

P-15.4
06/2019

- i. An individual's ethical conduct shall be evaluated on the basis of the Code of Ethics and Conflicts of Interest Policies in effect on the date when a given action or omission took place. The review of such conduct, however, shall be conducted in accordance with the Ethical Conduct Violation Procedures in effect on the first date when a complaint is submitted. If the Ethical Conduct Violation Procedures are amended prior to the completion of the review process, such amendments shall not affect the review of pending matters except insofar as the Board of Governors, in amending the Ethical Conduct Violation Procedures, specifically approves retroactive effect for any portion or all of the amended Procedures.

II. PURPOSE

- A. To state the Society's policies related to alleged violation of the Code of Ethics and alleged violation of the Conflicts of Interest Policy.
- B. To provide a fair and responsible procedure for handling complaints and charges of violation of the Code of Ethics or the Conflicts of Interest Policy.

III. RESIGNATION

If a member against whom a complaint has been filed resigns prior to the final disposition of the case, or is administratively dropped from the Society's membership rolls (for reasons such as not paying dues in a timely manner, not signing a conflict of interest statement, etc.), the Society will accept the resignation or may initiate the termination of membership with the stipulation that the person may not reapply for membership. At its discretion the Society may continue the investigation and disposition of the case in accordance with this Society Policy. Member records of persons removed for unethical conduct violations, or administratively dropped while subject to the ethics violation process shall be kept by the Society.

IV. PROCEDURE

- A. Complaint Phase
 1. Any person contemplating a complaint under this Society Policy may (but is not required to) participate in the following consultative procedure prior to the submission of his or her complaint:
 - a. The person shall notify the Society's Managing Director, Governance, orally or in writing that he or she is considering the filing of an ethics complaint and wishes to participate in the Society's pre-complaint consultative procedure. This notification shall include the name(s) of the person(s) contemplating the complaint and the person(s) who would be subject to the complaint.
 - b. The Managing Director, Governance, shall promptly notify the members of the Ethics Committee, whereupon those members of the Committee

P-15.4
06/2019

- who have no conflict of interest with respect to the possible complaint(s) shall promptly draw lots to determine which of their number will provide pre-complaint consultation.
- c. Within thirty (30) days of the initial notification to the Managing Director, Governance, the Committee member selected by lot to provide pre-complaint consultation (the “consulting member”) shall notify the person contemplating a complaint and provide consultation to him or her with respect to:
 - i. The identification and clarification of the ethical issues, if any, presented by the proposed complaint.
 - ii. The completion of the Society’s complaint form in a manner that fulfills as nearly as possible the requirements of this Society Policy for complaints.
 - iii. The applicable procedures under this Society Policy, with the objective of assisting the person contemplating a complaint to understand the phases and nature of an ethics complaint under this Society Policy.
 - d. The consulting member shall at all times maintain neutrality and shall explain to the person contemplating a complaint that the role of the consulting member is limited to assisting the Society’s membership to ensure that there is fair access to a forum for the impartial consideration of good-faith ethics complaints.
 - e. Once a complaint is filed, the consultation period shall be concluded, and the consulting member shall thereupon recuse himself or herself from further review of or participation in the matter. Without limiting the generality of the foregoing, there may be no post-complaint consultation by the consulting member. Additionally, the consulting member may terminate the consultation period at any time at his or her discretion, without regard to whether a complaint is filed, if he or she concludes that further consultation would not serve a useful purpose.
2. To initiate action, a signed and dated written complaint shall be filed with the Executive Director of the Society. The written complaint must be prepared using the form of complaint supplied by the Society for this purpose and state with particularity (a) the name or names of those members of the Society who are the subject of the complaint (referred to hereinafter collectively as the “member subject to the complaint”), (b) those specific provisions of the Society’s Code of Ethics or the Conflicts of Interest Policy that the member subject to the complaint is alleged to have violated, and (c) the alleged facts that are alleged to establish each such alleged violation (including without limitation those specific provisions

P-15.4
06/2019

of the Constitution, By-Laws or Policies of the Society, if any, by which the subject(s) of the complaint have allegedly failed to abide). The complaint may be filed by any interested person or group within or outside the Society. The complaint shall conclude with the following statement by the complainant:

“All facts alleged in this complaint are, to the best of my knowledge, true, correct and complete, and I have neither knowingly misrepresented nor knowingly omitted any information that would be material to the evaluation of the merits of this complaint. I understand that if the foregoing statements are untrue and if I am a member of the American Society of Mechanical Engineers, I may have violated the Society’s Code of Ethics. I understand that the entire contents of my complaint including my identity may be disclosed to the individual or individuals referenced in my complaint during the course of any review of my complaint, and I consent to such disclosures.”

3. No complaint shall be maintained or upheld pursuant to this Society Policy unless such complaint is submitted to the Society pursuant to this Society Policy within three (3) years after:
 - a. the date of the incident (or last of a series of related incidents) constituting the alleged violation; or, if later,
 - b. the earliest date on which the complainant had knowledge, or on which a member of the Society reasonably should have had knowledge, that any such incident (or series of related incidents) might constitute a violation reportable under this Society Policy.

4. The Executive Director, upon receipt of a complaint of alleged unethical conduct, shall within thirty (30) days:
 - a. acknowledge receipt of the complaint to the complainant by Certified Mail,
 - b. ascertain whether the person against whom the complaint has been made is currently a member of the Society,
 - c. determine whether the complaint fulfills the requirements of IV.A.2, and
 - d. if the requirements of either IV.A.4.b or IV.A.4.c or both of them are not met, notify the complainant by certified mail (return receipt requested) that the complaint has been rejected because it fails to fulfill either IV.A.4.b or IV.A.4.c or both of them, as the case may be.

P-15.4
06/2019

Such complaint may be revised and resubmitted, and the date of any such resubmission shall be the submission date for purposes of IV.A.3.

5. If the complaint is not rejected pursuant to IV.A.4, the Executive Director shall within sixty (60) days of receipt of the complaint:
 - a. send the Chair of the Ethics Committee a copy of the complaint received, and
 - b. decide, with concurrence of the Chair of the Ethics Committee, whether the complaint is barred from further consideration
 - i. by reason of IV.A.3,
 - ii. because it involves a dispute between an employer or employee or between the parties to a contract which dispute is properly resolved through legal or commercial channels,
 - iii. because it raises issues that are trivial, frivolous or harassing in nature, or
 - iv. because the facts alleged in the complaint, even if true, would not constitute violations of the Code of Ethics or the Conflicts of Interest Policy.
6. If the complaint is barred as provided in IV.A.5.b, the Executive Director shall notify the complainant by Certified Mail that the complaint is barred for such of the reasons set forth in IV.A.5.b as shall apply.
7. If the Executive Director and the Chair of the Ethics Committee do not concur as to any matter for which their concurrence is required under IV.A.5.b, the matter shall be presented to the President of the Society, whose determination shall govern and may not be appealed, or, if the complaint shall involve the President as either a witness or the member subject to the complaint, the matter shall be presented to the Board of Governors (other than the President), whose determination shall govern and may not be appealed.
8. If the complaint is not rejected pursuant to IV.A.4 or IV.A.5, the Executive Director shall notify the complainant that the matter is being referred to the Ethics Committee within thirty (30) days of the determination by the Executive Director and Chair of the Ethics Committee, per Section IV.A.5, or by the President or Board of Governors per Section IV.A.7 that the complaint is not barred.
9. Within sixty (60) days of the notice sent to the complainant per Section IV.A.8, the Executive Director and the Chair of the Ethics Committee shall prepare (in

P-15.4
06/2019

consultation with legal counsel) a statement of preliminary charges and the Executive Director shall:

- a. Notify the member subject to the complaint, by certified mail (return receipt requested), that an ethics complaint has been filed,
 - b. Include with the notification a copy of the statement of preliminary charges and the following statement:
 - i. That the preliminary charges allege matters to be within the scope of the Code of Ethics or Conflicts of Interest Policy of the Society,
 - ii. That an investigation will be made to determine if the complaint is substantiated by the facts, and
 - iii. That the member is encouraged to submit a written response (of not more than ten (10) double-spaced letter-sized pages in Times New Roman type with a minimum font size of 10) to the complaint within thirty (30) days and to inform the Society of his or her preferred address.
 - c. In consultation with the Chair of the Ethics Committee, designate an Investigative Panel of no more than five members from the Society's staff or membership (or both) to conduct an investigation of the matter, and
 - d. Provide the Investigative Panel with a copy of the complaint and a copy of the statement of preliminary charges (the complaint and preliminary charges shall not foreclose the Investigative Panel from determining that there may have been violations of provisions of the Code of Ethics or the Conflicts of Interest Policy other than or in addition to those cited in the complaint or the preliminary charges).
10. Reasonable expenses incurred by the Investigative Panel shall be paid by the Society.
11. In any case in which a complaint or other written or oral submission in connection with the submission, investigation and review of an ethics complaint contains statements or makes omissions that may give rise to an ethics complaint against the individual making the complaint or other submission, the Executive Director shall submit the relevant information to the Secretary of the Society, whose responsibility it shall be to evaluate the information and determine whether to make an ethics complaint in respect of such individual's conduct. This Section IV.A.11 shall not limit the right of any other person to make a complaint in respect of such individual's conduct, provided the person making the complaint has properly obtained the information on which his or her complaint is based.

B. Investigative and Review Phase

1. The Investigative Panel shall hold individual conferences on the subject matter of the complaint with the member against whom a complaint has been filed, the complainant and any other persons known or believed to have knowledge of the matter (such other persons, the “witnesses”). In the conduct of these informal conferences, the following should be kept in mind by all concerned:
 - a. the purpose is to determine if there is cause for further action by the Society,
 - b. the investigation is not a legal hearing, but an informal conference to determine the facts in the matter, and the member is not “accused” by the Society in a legal sense,
 - c. the greatest tact must be exercised by the Investigative Panel,
 - d. if, during the conference, information is obtained that suggests the need to broaden the scope of the investigation, the Investigative Panel shall conduct such additional investigation before completing the investigation of the matter, and
 - e. at the start of each conference, the Investigative Panel shall advise each witness that the information may or may not be used in a written report and it may be furnished to the member subject to the complaint.
2. After the Investigative Panel is assured that all pertinent information concerning the matter has been secured, the Investigative Panel shall prepare a detailed written report giving all data concerning the matter and send the report to the Chair of the Ethics Committee. The Investigative Panel shall make one (1) of the following determinations:
 - a. That the facts, as found by the Investigative Panel, do not support the complaint and as such do not provide a sufficient basis for any further action by the Society, in which case the matter shall be handled as provided in IV.B.3, or
 - b. That the facts, as found by the Investigative Panel, appear to establish a violation of the Code of Ethics or Conflicts of Interest Policy that is minor and as such does not warrant suspension or expulsion of the member subject to the complaint, in which case the matter shall be handled as provided in IV.B.4, or
 - c. That the facts, as found by the Investigative Panel, appear to establish a violation of the Code of Ethics or Conflicts of Interest Policy that is more

P-15.4
06/2019

than minor and as such may warrant suspension or expulsion of the member subject to the complaint, pursuant to a formal statement of charges adopted by the Investigative Panel as a part of its determination, in which case the matter shall be handled as provided in IV.B.5.

Within thirty (30) days of a determination under this Section IV.B.2, the Chair of the Ethics Committee shall notify the Executive Director in writing of such determination. Such notification, in the case of a determination described in IV.B.2.c, to include the formal statement of charges adopted pursuant to IV.B.2.c.

3. If there is a determination, pursuant to IV.B.2.a, that the facts, as found by the Investigative Panel, do not support the complaint and as such do not provide a sufficient basis for any further action by the Society, the Executive Director shall within thirty (30) days of receiving the notification specified in IV.B.2:
 - a. notify the Board of Governors of the determination,
 - b. by certified mail (return receipt requested), notify the complainant, the member subject to the complaint and all witnesses who have been interviewed by the Investigative Panel that the matter is closed pursuant to this Section IV.B.3, and
 - c. close the official file on the matter and retain the file in the records of the Society for not less than ten (10) years from the date on which the initial complaint was received by the Society.

A complaint disposed of pursuant to this Section IV.B.3, even if the complaint is revised, may not be resubmitted.

4. If there is a determination by the Investigative Panel, pursuant to IV.B.2.b, that the facts, as found by the Investigative Panel, appear to establish a violation of the Code of Ethics or Conflicts of Interest Policy that is minor and as such does not warrant suspension or expulsion of the member subject to the complaint, the Executive Director on behalf of the Investigative Panel shall within thirty (30) days of such determination send a letter of warning/admonishment to the member subject to the complaint by certified mail (return receipt requested) and
 - a. notify the Board of Governors of the determination,
 - b. by certified mail (return receipt requested), notify the complainant that the matter is closed pursuant to this Section IV.B.4 and if the matter is not resolved publicly that the resolution of the matter shall be held confidential and not revealed to any other party by the complainant.

P-15.4
06/2019

- c. by certified mail (return receipt requested), notify all witnesses who have been interviewed by the Investigative Panel that the matter has been resolved and is closed, and
 - d. close the official file on the matter and retain in the file records of the Society for not less than ten (10) years from the date on which the initial complaint was received by the Society.
5. If there is a determination, pursuant to IV.B.2.c, that the facts, as found by the Investigative Panel, appear to establish a violation of the Code of Ethics or Conflicts of Interest Policy that is more than minor and as such may warrant suspension or expulsion of the charged, the Executive Director, within thirty (30) days of receipt of the notification described in IV.B.2 shall notify the President in writing that the matter will be submitted to the Board of Governors for determination. In making its determination, the Board of Governors shall not be bound by the recommendations of the Investigative Panel and may upon review of the complaint; (1) determine that the complaint is not supported by the facts; (2) determine that a lesser sanction such as a letter of warning/admonishment should be issued; or (3) suspend or expel the member. The Board of Governors should ordinarily make such determination in a closed session of the Board.

Within thirty (30) days of the rendering of a decision by the Board of Governors, the Executive Director shall:

- a. by certified mail (return receipt requested), notify the subject of the complaint of the resolution of the matter pursuant to this Section IV.B.5;
 - b. by certified mail (return receipt requested), notify the complainant that the matter is closed pursuant to Section IV.B.5 and if the matter is not resolved publicly that the resolution shall be held confidential and not revealed to any other parties by the complainant;
 - c. by certified mail (return receipt requested), notify all witnesses who had been interviewed by the Investigative Panel that the matter is closed, and
 - d. close the official file on the matter and retain in the files of the Society for not less than ten (10) years from the date on which the initial complaint was received by the Society.
6. A complaint disposed of by the Board of Governors, even if the complaint is revised, may not be resubmitted.
7. All files concerning ethics complaints and the resolution thereof shall be confidential and may not be disclosed except by authority of the Board of Governors. The records shall be retained for a period of not less than ten (10) years from the date on which the initial complaint was received by the Society.

P-15.4
06/2019

The proceedings may be synopsized and made anonymous for later publication for instructive purposes.

8. The membership shall be notified of all disciplinary actions taken by the Board of Governors under this Section IV.B for violations of the Code of Ethics or Conflicts of Interest Policy, by publication of a suitable notice in MECHANICAL ENGINEERING or ASME NEWS. The name of the disciplined member shall not be published. However, the action of the Board of Governors, including the name of the disciplined member, shall be reported to the section chair and appropriate Society officers.

Responsibility: Committee of Past Presidents/Ethics Committee

Reassigned from Centers Board of Directors/Center for Career and Professional Advancement/Committee on Ethical Standards and Review 2/2012

Reassigned from Centers Board of Directors/Center for Professional Development, Practice & Ethics/Committee on Ethical Standards and Review 4/23/09

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

Adopted: June 18, 1975

Revised: September 29, 1978
June 25, 1980
November 17, 1983
(editorial changes 3/84)
June 14, 1985
(editorial changes 6/87)
(editorial changes 3/88)
June 18, 1989
June 6, 1990
(editorial change 2/94)
November 21, 1996
(editorial changes 9/97)
June 9, 1999
(editorial changes 6/02)
(editorial changes
September 23, 2005
November 5, 2006
(editorial changes in responsible unit 4/09)
(Unit Reassignment Due to Reorganization 2/12)
November 15, 2013
September xx, 2019



P-15.4
~~0611/2019~~

SOCIETY POLICY

ETHICAL CONDUCT VIOLATION PROCEDURES

I. PREFACE

A. Article C2.1.1 of the Constitution states in part, "The purposes of this Society are to: ... Promote a high level of ethical practice. In all professional and business relations the members of the Society shall be governed by the Code of Ethics as stated in the Society Policies."

B. By-Law B2.1 states in part: "To promote the art, science and practice of mechanical and multidisciplinary engineering and allied sciences to diverse communities throughout the world the Society shall:..."

ETHICAL PRACTICE

Maintain a Code of Ethics of Engineers consistent with the standards of the profession.

Promote and encourage practice in the profession within this code.

Arrange for adjudication within the structure of the Society for violations of the code brought to its attention."

~~C.~~ ~~By-Law B3.3.1 states in part: "Any member who has been found to have violated the Constitution, By-Laws or Code of Ethics of the Society, may be expelled by the affirmative vote of seven members of the Board of Governors."~~

~~D.~~ ~~C.~~ ASME requires ethical conduct by its members and adherence to the provisions of the Constitution, By-Laws, Society Policies, and the Code of Ethics. There may be occasions when a complaint of unethical conduct is filed against a member of the Society, and the following procedure is designed to insure a prompt, thorough investigation and disposition of the matter. It is in the best interests of the member against whom a complaint has been filed, the Society, and the profession that such matters be handled in an impartial and confidential manner. Members and staff involved in the investigation, ~~hearing~~ and disposition of such cases shall not disclose particulars of any case except as required by their assigned duties.

~~E.~~ ~~D.~~ Occasionally, complaints are brought to the attention of the Society rising out of a dispute between an employer or employee or between the parties to a contract. Ordinarily, such disputes are properly resolved through legal and commercial channels and not through an ethics complaint and inquiry.

~~F.~~ ~~E.~~ The Ethics Committee and the Executive Director of the Society have the responsibility for implementing the procedure defined in this Society Policy.

~~E.~~ ~~G.~~ At any phase of a complaint the Executive Director may, at his or her discretion, request the advice of Legal Counsel.

Formatted: Line spacing: single

Formatted: Indent: Left: 0.5", Space After: 0 pt, Line spacing: single, No bullets or numbering

Formatted: Font:

Formatted: List Paragraph, Indent: Hanging: 0.5", Numbered + Level: 2 + Numbering Style: A, B, C, ... + Start at: 3 + Alignment: Left + Aligned at: 0.75" + Indent at: 1"

Formatted: Font:

Formatted: List Paragraph, Indent: Hanging: 0.5", Numbered + Level: 2 + Numbering Style: A, B, C, ... + Start at: 3 + Alignment: Left + Aligned at: 0.75" + Indent at: 1"

Formatted: Font:

Formatted: Font:

Formatted: List Paragraph, Indent: Hanging: 0.5", Numbered + Level: 2 + Numbering Style: A, B, C, ... + Start at: 3 + Alignment: Left + Aligned at: 0.75" + Indent at: 1"

Formatted: List Paragraph, Indent: Hanging: 0.5", Numbered + Level: 2 + Numbering Style: A, B, C, ... + Start at: 3 + Alignment: Left + Aligned at: 0.75" + Indent at: 1"

Formatted: Font:

Formatted: Indent: Left: 0.5", Hanging: 0.5"

Formatted: Justified

Formatted: Indent: Left: 0.5", Hanging: 0.5", No bullets or numbering, Tab stops: Not at 1.25"

P-15.4
11/13

~~i.~~ An individual's ethical conduct shall be evaluated on the basis of the Code of Ethics and Conflicts of Interest Policies ~~as~~ in effect on the date when a given action or omission took place. The review of such conduct, however, shall be conducted in accordance with the Ethical Conduct Violation Procedures in effect on the first date when a complaint is submitted. If the Ethical Conduct Violation Procedures are amended prior to the completion of the review process, such amendments shall not affect the review of pending matters except insofar as the Board of Governors, in amending the Ethical Conduct Violation Procedures, specifically approves retroactive effect for any portion or all of the amended Procedures.

Formatted: Font:

Formatted: List Paragraph, Justified, Numbered + Level: 3 + Numbering Style: i, ii, iii, ... + Start at: 1 + Alignment: Right + Aligned at: 1.38" + Indent at: 1.5"

II. PURPOSE

- A. To state the Society's policies related to alleged violation of the Code of Ethics and alleged violation of the Conflicts of Interest Policy.
- B. To provide a fair and responsible procedure for handling complaints and charges of violation of the Code of Ethics or the Conflicts of Interest Policy.

Formatted: Line spacing: single

Formatted: Line spacing: single

III. ~~POLICY~~RESIGNATION

If a member against whom a complaint has been filed resigns prior to the final disposition of the case, or is administratively dropped from the Society's membership rolls (for reasons such as not paying dues in a timely manner, not signing a conflict of interest statement, etc.), the Society will accept the resignation or may initiate the termination of membership with the stipulation that the person may not reapply for membership. At its discretion the Society may continue the investigation and disposition of the case in accordance with this Society Policy. Member records of persons removed for unethical conduct violations, or administratively dropped while subject to the ethics violation process ~~will~~ shall be kept by the Society.

Formatted: Line spacing: single

IV. PROCEDURE

~~IV.~~

A. Complaint Phase

- 1. Any person contemplating a complaint under this Society Policy may (but is not required to) participate in the following consultative procedure prior to the submission of his or her complaint:
 - a. The person shall notify the Society's Managing Director, Governance, orally or in writing that he or she is considering the filing of an ethics complaint and wishes to participate in the Society's pre-complaint consultative procedure. This notification shall include the name(s) of the person(s) contemplating the complaint and the person(s) who would be subject to the complaint.

Formatted: Line spacing: single

Formatted: Indent: Left: 0.5", Line spacing: single, No bullets or numbering

P-15.4
11/13

- b. The Managing Director, Governance, shall promptly notify the members of the Ethics Committee, whereupon those members of the Committee who have no conflict of interest with respect to the possible complaint(s) shall promptly draw lots to determine which of their number will provide pre-complaint consultation.
 - c. Within thirty (30) days of the initial notification to the Managing Director, Governance, the Committee member selected by lot to provide pre-complaint consultation (the "consulting member") shall notify the person contemplating a complaint and provide consultation to him or her with respect to:
 - i. —The identification and clarification of the ethical issues, if any, presented by the proposed complaint.
 - ii. —The completion of the Society's complaint form in a manner that fulfills as nearly as possible the requirements of this Society Policy for complaints.
 - iii. —The applicable procedures under this Society Policy, with the objective of assisting the person contemplating a complaint to understand the phases and nature of an ethics complaint under this Society Policy.
 - d. The consulting member shall at all times maintain neutrality and shall explain to the person contemplating a complaint that the role of the consulting member is limited to assisting the Society's membership to ensure that there is fair access to a forum for the impartial consideration of good-faith ethics complaints.
 - e. Once a complaint is filed, the consultation period shall be concluded, and the consulting member shall thereupon recuse himself or herself from further review of or participation in the matter. Without limiting the generality of the foregoing, there may be no post-complaint consultation by the consulting member. Additionally, the consulting member may terminate the consultation period at any time at his or her discretion, without regard to whether a complaint is filed, if he or she concludes that further consultation would not serve a useful purpose.
2. To initiate action, a signed and dated written complaint shall be filed with the Executive Director of the Society. The written complaint must be prepared using the form of complaint supplied by the Society for this purpose and state with particularity (a) the name or names of those members of the Society who are the subject of the complaint (referred to hereinafter collectively as the "member subject to the complaint"), (b) those specific provisions of the Society's Code of Ethics or the Conflicts of Interest Policy ~~which~~ that the

Formatted: Tab stops: Not at 2.13"

Formatted: Indent: Left: 2.5", No bullets or numbering

Formatted: Indent: Left: 2", Tab stops: 2.5", List tab + Not at 2.13" + 2.44"

Formatted: Indent: Left: 2.5", No bullets or numbering, Tab stops: Not at 2.5"

Formatted: Indent: Left: 2", Tab stops: 2.5", List tab + Not at 2.13" + 2.44"

P-15.4
11/13

member subject to the complaint is alleged to have violated, and (c) the alleged facts ~~which-that~~ are alleged to establish each such alleged violation (including without limitation those specific provisions of the Constitution, By-Laws or Policies of the Society, if any, by which the subject(s) of the complaint have allegedly failed to abide). The complaint may be filed by any interested person or group within or outside the Society. The complaint shall conclude with the following statement by the complainant:

-“All facts alleged in this complaint are, to the best of my knowledge, true, correct and complete, and I have neither knowingly misrepresented nor knowingly omitted any information ~~which-that~~ would be material to the evaluation of the merits of this complaint. -I understand that if the foregoing statements are untrue and if I am a member of the American Society of Mechanical Engineers, I may have violated the Society’s Code of Ethics. -I understand that the entire contents of my complaint including my identity may be disclosed to the individual or individuals referenced in my complaint during the course of any ~~Hearing Board~~ review of my complaint, and I consent to such disclosures.”

3. No complaint shall be maintained or upheld pursuant to this Society Policy unless such complaint is submitted to the Society pursuant to this Society Policy within ~~five~~three (3) years after:
 - a. the date of the incident (or last of a series of related incidents) constituting the alleged violation; or, if later,
 - b. the earliest date on which the complainant had knowledge, or on which a member of the Society reasonably should have had knowledge, that any such incident (or series of related incidents) might constitute a violation reportable under this Society Policy.
4. The Executive Director, upon receipt of a complaint of alleged unethical conduct, shall within thirty (30) days:
 - a. acknowledge receipt of the complaint to the complainant by Certified Mail,
 - b. ascertain whether the person against whom the complaint has been made is currently a member of the Society,
 - c. determine whether the complaint fulfills the requirements of IV.A.2, and

Formatted: Justified

P-15.4
11/13

- d. if the requirements of either IV.A.4.b or IV.A.4.c or both of them are not met, notify the complainant by certified mail (return receipt requested) that the complaint has been rejected because it fails to fulfill either IV.A.4.b or IV.A.4.c or both of them, as the case may be.

~~The rejection of a complaint pursuant to this IV.A.4 may not be appealed.~~ Such complaint may be revised and resubmitted, and the date of any such resubmission shall be the submission date for purposes of IV.A.3.

- 5. If the complaint is not rejected pursuant to IV.A.4, the Executive Director shall within sixty (60) days of receipt of the complaint:

- a. send the Chair of the Ethics Committee a copy of the complaint received, and
- b. decide, with concurrence of the Chair of the Ethics Committee, whether the complaint is barred from further consideration

- (i) by reason of IV.A.3,

- (ii) because it involves a dispute between an employer or employee or between the parties to a contract which dispute is properly resolved through legal or commercial channels,

- (iii) because it raises issues that are trivial, frivolous or harassing in nature, or

- (iv) because the facts alleged in the complaint, even if true, would not constitute violations of the Code of Ethics or the Conflicts of Interest Policy.

- 6. If the complaint is barred as provided in IV.A.5.b, the Executive Director shall notify the complainant by Certified Mail that the complaint is barred for such of the reasons set forth in IV.A.5.b as shall apply. ~~The rejection of a complaint pursuant to this IV.A.6 may not be appealed except in connection with the complainant's appeal, if any, pursuant to IV.A.8 of a rejection of the written explanation hereinafter provided for. However, the complainant may, within sixty (60) days of receipt of the Executive Director's notification and as the complainant's sole and exclusive remedy, submit to the Executive Director a written explanation of why the reasons for barring the complaint are unfounded. Such written explanation shall be signed and dated and shall conclude with the following statement:~~

~~"All facts alleged in this explanation are, to the best of my knowledge, true, correct and complete, and I have neither knowingly misrepresented nor knowingly omitted any information which would be material to the evaluation of the merits of this~~

Formatted: Indent: Left: 1", Hanging: 0.5"

P-15.4
11/13

~~explanation or the complaint to which it relates. I understand that if the foregoing statements are untrue and I am a member of the American Society of Mechanical Engineers, I may have violated the Society's Code of Ethics. I understand that the entire contents of this explanation including my identity may be disclosed to the individual or individuals referenced in my complaint or this explanation during the course of any Hearing Board review of my complaint or this explanation and I consent to such disclosures."~~

~~The permitted lapse of time between the submission of the initial complaint and the submission of the written explanation described in this IV.A.6 shall be disregarded for purposes of applying IV.A.3. If such explanation is not timely submitted, the complaint is barred and, even if revised, the complaint may not be resubmitted. Once the complaint is barred, the Executive Director shall close the file on the matter and retain the file in the records of the Society for not less than ten (10) years from the date on which the initial complaint was received by the Society.~~

Formatted: Indent: Hanging: 0.5"

~~7. The Executive Director shall within sixty (60) days of receipt of the written explanation, if any, received pursuant to IV.A.6:~~

~~a. send the Chair of the Ethics Committee a copy of the explanation received, and~~

Formatted: Indent: Left: 1"

~~b. decide, with concurrence of the Chair of the Ethics Committee, whether to accept the explanation and refer the complaint to the Ethics Committee (as provided below) or reject the explanation and the Executive Director shall notify the complainant by certified mail (return receipt requested) that the complaint has been rejected pursuant to this IV.A.7.~~

~~8. The rejection of a written explanation pursuant to IV.A.7 may be appealed to the Ethics Committee, but only if the appeal is received by the Office of the Executive Director not more than sixty (60) days after the notification described in IV.A.7.b. Any such appeal shall conclude with the following statement by the member:~~

~~"All facts alleged in this appeal are, to the best of my knowledge, true, correct and complete, and I have neither knowingly misrepresented nor knowingly omitted any information which would be material to the evaluation of the merits of this appeal. I understand that if the foregoing statements are untrue, I may have violated the Society's Code of Ethics. I understand that the entire contents of this appeal including my identity may be disclosed to the individual or individuals referenced in my complaint or this appeal during the course of any Hearing Board review of my complaint and this appeal, and I consent to such disclosures."~~

Formatted: Indent: Left: 1", Hanging: 0.5", Tab stops: Not at 5.79"

Formatted: Indent: Left: 1", Hanging: 0.5"

~~The appeal shall be denied unless the complainant demonstrates to the satisfaction of the Ethics Committee that the rejection of the written explanation and the~~

Formatted: Indent: Hanging: 0.5"

P-15.4
11/13

~~underlying complaint was arbitrary and capricious, in which event the matter shall be handled as provided in IV.A.10. The decision of the Ethics Committee may not be appealed. If the rejection of the written explanation is not timely appealed or if the appeal is not sustained by the Ethics Committee, the complaint is barred and, even if revised, may not be resubmitted.~~

~~79.~~ If the Executive Director and the Chair of the Ethics Committee do not concur as to any matter for which their concurrence is required under IV.A.5.b ~~or IV.A.7.b~~, the matter shall be presented to the President of the Society, whose determination shall govern and may not be appealed, or, if the complaint shall involve the President as either a witness or the member subject to the complaint, the matter shall be presented to the Board of Governors (other than the President), whose determination shall govern and may not be appealed.

~~108.~~ If the complaint is not rejected pursuant to IV.A.4 or IV.A.5, the Executive Director shall notify the complainant that the matter is being referred to the Ethics Committee within thirty (30) days of the ~~last to occur:~~

~~(a) the~~ determination by the Executive Director and Chair of the Ethics Committee, per Section IV.A.5, or by the President or Board of Governors per Section IV.A.7 that the complaint is not barred.

~~(b) the determination by the Executive Director and Chair of the Ethics Committee, per Section IV.A.7, that the explanation has been accepted~~

~~(c) the vote of the Ethics Committee sustaining an appeal as described in IV.A.8 or~~

~~(d) the determination by the President or Board of Governors, per Section IV.A.9, sustaining an appeal.~~

~~9.~~ Within sixty (60) days of the notice sent to the complainant per Section IV.A.8 ~~last to occur of such events~~, the Executive Director and the Chair of the Ethics Committee shall prepare (in consultation with legal counsel) a statement of preliminary charges and the Executive Director shall:

- a. Notify the member subject to the complaint, by certified mail (return receipt requested), that an ethics complaint has been filed,
- b. Include with the notification a copy of the statement of preliminary charges and the following statement:
 - i. That the preliminary charges allege matters to be within the scope of the Code of Ethics or Conflicts of Interest Policy of the Society,

Formatted: Indent: Hanging: 0.5"

Formatted: Indent: Hanging: 0.5"

P-15.4
11/13

- ii. That an investigation will be made to determine if the complaint is substantiated by the facts, and
 - iii. That the member is encouraged to ~~respond~~ submit a written response (of not more than ten (10) double-spaced letter-sized pages in Times New Roman type with a minimum font size of 10) to the complaint within thirty (30) days and to inform the Society of his or her preferred address.
- c. In consultation with the Chair of the Ethics Committee, designate an Investigative ~~or Panel of no more than five members~~ from the Society's staff or membership (or both) to conduct an investigation of the matter, and
 - d. Provide the Investigative ~~or Panel~~ with a copy of the complaint, ~~any written explanation provided pursuant to IV.A.6,~~ and a copy of the statement of preliminary charges (the complaint and preliminary charges shall not ~~to~~ foreclose the Investigative ~~or five Panel~~ from determining that there may have been violations of provisions of the Code of Ethics or the Conflicts of Interest Policy other than or in addition to those cited in the complaint or the preliminary charges).

10. Reasonable expenses incurred by the Investigative Panel shall be paid by the Society.

Formatted: Indent: Left: 1"

~~The designation of an Investigator pursuant to this IV.A.10 may not be appealed.~~

~~11.~~ In any case in which a complaint or other written or oral submission ~~(including without limitation testimony at a Hearing)~~ in connection with the submission, investigation and review of an ethics complaint contains statements or makes omissions that may give rise to an ethics complaint against the individual making the complaint or other submission, the Executive Director shall submit the relevant information to the Secretary of the Society, whose responsibility it shall be to evaluate the information and determine whether to make an ethics complaint in respect of such individual's conduct. This Section IV.A.11 shall not limit the right of any other person to make a complaint in respect of such individual's conduct, provided the person making the complaint has properly obtained the information on which his or her complaint is based.

B. Investigative and Review Phase

- 1. The Investigative ~~or five Panel~~ shall hold individual ~~informal~~ conferences on the subject matter of the complaint with the member against whom a complaint has been filed, the complainant and any other persons known or believed to have knowledge of the matter (such other persons, the "witnesses"), ~~and shall~~

P-15.4
11/13

~~advise each of them that his or her legal counsel, if desired, may be present at such conferences.~~ In the conduct of these informal conferences, the following should be kept in mind by all concerned:

- a. the purpose is to determine if there is cause for further action by the Society,
 - b. the investigation is not a legal hearing, but an informal conference to determine the facts in the matter, and the member is not "accused" by the Society in a legal sense,
 - c. the greatest tact must be exercised by the Investigator ~~or~~ ive Panel,
 - d. if, during the conference, information is obtained ~~which-that~~ suggests the need to broaden the scope of the investigation, the Investigator ~~or~~ ive Panel ~~must-shall~~ conduct such additional investigation before completing the investigation of the matter, and
 - e. at the start of each conference, the Investigator ~~or~~ ive Panel ~~should-shall~~ advise each witness that the information may or may not be used in a Hearing-written report and it may be furnished to the member subject to the complaint.
2. After the Investigator ~~or~~ ive Panel is assured that all pertinent information concerning the matter has been secured, ~~he or she-the Investigative Panel~~ shall prepare a detailed written report giving all data concerning the matter and send the report to the Chair of the Ethics Committee. The Investigative Panel shall make one (1) of the following determinations:
- ~~3. Reasonable expenses incurred by the Investigator shall be paid by the Society.~~
- ~~4. Based on a review of the report of the Investigator during a face to face meeting of a simple majority of the members of the Ethics Committee, the Committee shall make one (1) of the following determinations on the basis of the Investigator's report:~~
- a. That the facts, as found by the Investigator ~~or~~ ive Panel, do not support the complaint and as such do not provide a sufficient basis for any further action by the Society, in which case the matter shall be handled as provided in IV.B. 35, or
 - b. That the facts, as found by the Investigator ~~or~~ ive Panel, appear to establish a violation of the Code of Ethics or Conflicts of Interest Policy that is minor and as such does not warrant suspension or expulsion of the

Formatted: Justified

Formatted: Indent: Left: 1", Hanging: 0.5"

Formatted: Indent: Left: 1", Hanging: 0.5"

Formatted: Indent: Left: 1.5", Hanging: 0.5", Tab stops: 2", List tab + Not at 1.75"

Formatted: Tab stops: 2", List tab

Formatted: Indent: Left: 1.5", Hanging: 0.5", Tab stops: 2", List tab + Not at 1.75"

P-15.4
11/13

member subject to the complaint, in which case the matter shall be handled as provided in IV.B.46, and IV.B.7, or

- c. That the facts, as found by the Investigative Panel, appear to establish a violation of the Code of Ethics or Conflicts of Interest Policy that is ~~severe~~ more than minor and as such may warrant suspension or expulsion of the member subject to the complaint, pursuant to a formal statement of charges adopted by the ~~Ethics Committee Investigative Panel~~ as a part of its determination, in which case the matter shall be handled as provided in IV.B.5, in which case the matter shall be handled as provided in IV.B.8.

Formatted: Tab stops: 2", List tab

Formatted: Indent: Left: 1.5", Hanging: 0.5", Tab stops: 2", List tab + Not at 1.75"

Within thirty (30) days of a determination under this Section IV.B.24, the Chair of the Ethics Committee shall notify the Executive Director in writing of such determination. ~~Such notification, in the case of a determination described in IV.B.24.c, to include the formal statement of charges adopted pursuant to IV.B.42.c. A determination pursuant to this IV.B.4 may not be appealed.~~

- 35. If there is a determination, pursuant to IV.B.24.a, that the facts, as found by the Investigative Panel, do not support the complaint and as such do not provide a sufficient basis for any further action by the Society, the Executive Director shall within thirty (30) days of receiving the notification specified in IV.B.24:

Formatted: Justified

- a. notify the Board of Governors of the determination,
- b. by certified mail (return receipt requested), notify the complainant, the member subject to the complaint and all witnesses who have been interviewed by the Investigative Panel that the matter is closed pursuant to this Section IV.B.35, and
- c. ~~shall~~ close the official file on the matter and retain the file in the records of the Society for not less than ten (10) years from the date on which the initial complaint was received by the Society.

Formatted: Indent: Left: 1.5", Hanging: 0.5", Tab stops: 2", List tab + Not at 1.75"

Formatted: Tab stops: 2", List tab

Formatted: Indent: Left: 1.5", Hanging: 0.5", Tab stops: 2", List tab + Not at 1.75"

A complaint disposed of pursuant to this Section IV.B.35, even if the complaint is revised, may not be resubmitted.

- ~~4.~~ 4. If there is a determination by the Investigative Panel, pursuant to IV.B.24.b, that the facts, as found by the Investigative Panel, appear to establish a violation of the Code of Ethics or Conflicts of Interest Policy that is minor and as such does not warrant suspension or expulsion of the member subject to the complaint, the ~~Chair of the Ethics Committee~~ Executive Director on behalf of the Investigative Panel shall within thirty (30) days of such determination ~~notify the member subject to the complaint by certified mail (return receipt requested) (with a copy to the Ethics Committee and the Executive Director) that a letter of warning/admonishment is forthcoming at the end of a period of sixty (60) days,~~

P-15.4
11/13

~~such notification to include a proposed draft of such letter of warning/admonishment.~~

- ~~5. At the end of the period of sixty (60) days described in IV.B.6, the Chair shall send the a letter of warning/admonishment to the member subject to the complaint by certified mail (return receipt requested) (with a copy to the Ethics Committee and the Executive Director) and, unless such member shall have timely appealed the determination to send the letter of warning/admonishment (pursuant to IV.C), after which appeal the Chair shall send the letter of warning/admonishment (insofar as the letter shall be determined in the appeal to be warranted) or shall send notification that the proposed letter of warning/admonishment is withdrawn (insofar as the letter shall be determined in the appeal to be unwarranted), such letter or notification to be sent to the member subject to the complaint by certified mail (return receipt requested) (with a copy to the Ethics Committee and the Executive Director) within thirty (30) days of the determination of his or her appeal pursuant to IV.C.5 or IV.E.9, as the case may be. Within thirty (30) days after the Chair sends a letter of warning/admonishment or notification that a proposed letter of warning/admonishment is withdrawn, the Executive Director shall:~~

Formatted: Font:

Formatted: List Paragraph, Indent: Left: 1", Hanging: 0.5", Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 4 + Alignment: Left + Aligned at: 1.5" + Indent at: 1.75"

~~4.~~

~~a.~~

~~a. provide the Board of Governors with, as the case may be, a copy of the letter of warning/admonishment or a copy of the notification that the proposed letter of warning/admonishment is withdrawn,~~

Formatted: Indent: Left: 1.5", No bullets or numbering

Formatted: List Paragraph, Indent: Left: 1.5", Hanging: 0.5", Tab stops: 2", Left

Formatted: List Paragraph, Tab stops: 2", Left

~~b. by certified mail (return receipt requested), notify the complainant and all witnesses who have been interviewed by the Investigator that the matter is closed pursuant to this IV.B.7, and~~

Formatted: Font:

~~c. shall close the official file on the matter and retain the file in the records of the Society for not less than ten (10) years from the date on which the initial complaint was received by the Society.~~

~~A complaint disposed of pursuant to this IV.B.7, even if the complaint is revised, may not be resubmitted.~~

Formatted: List Paragraph, Indent: Left: 1.5", Hanging: 0.5", Tab stops: 2", Left

~~8. Notify the Board of Governors of the determination,~~

Formatted: Font:

~~b. by certified mail (return receipt requested), notify the complainant that the matter is closed pursuant to this Section IV.B.4 and if the matter is not resolved publicly that the resolution of the matter shall be held confidential and not revealed to any other party by the complainant.~~

P-15.4
11/13

~~c. by certified mail (return receipt requested), notify all witnesses who have been interviewed by the Investigative Panel that the matter has been resolved and is closed, and~~

~~d. close the official file on the matter and retain in the file records of the Society for not less than ten (10) years from the date on which the initial complaint was received by the Society.~~

Formatted: Normal

~~5. If there is a determination, pursuant to IV.B.24.c, that the facts, as found by the Investigative Panel, appear to establish a violation of the Code of Ethics or Conflicts of Interest Policy that is ~~severe~~ more than minor, and as such may warrant suspension or expulsion of the charged, the Executive Director, within thirty (30) days of receipt of the notification described in IV.B.24~~

Formatted: Indent: Left: 1.5", No bullets or numbering

Formatted: Font:

Formatted: Font:

Formatted: List Paragraph, Indent: Left: 1", Hanging: 0.5", Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 4 + Alignment: Left + Aligned at: 1.5" + Indent at:

Formatted: Font:

~~a. shall notify the President in writing that the matter will be submitted to the Board of Governors for determination. In making its determination, the Hearing Board is mandated pursuant to IV.B.4 and shall provide the President with a copy of the complaint, a copy of the formal statement of charges against the charged member, and a copy of the Investigator's report, and~~

Formatted: Font:

Formatted: Font:

Formatted: Font:

Formatted: Font:

~~b. shall notify the charged member in writing that a Hearing Board is mandated pursuant to IV.B.4 and that further information will be forthcoming once the Hearing Board has been appointed.~~

~~C. Appeal Phase (Proposed Letters of Warning/Admonishment)~~

~~1. No letter of warning/admonishment shall be sent at the end of the period of sixty (60) days described in IV.B.6 if the Executive Director of the Society shall receive before the end of such period from the member subject to the complaint either:~~

~~a. a signed written statement setting forth mitigating circumstances to explain why the member's alleged misconduct does not warrant a warning or admonishment;~~

~~b. a signed written request for a meeting or telephone conference with the Chair of the Ethics Committee to present mitigating circumstances to explain why the member's alleged misconduct does not warrant a warning or admonishment, or~~

~~c. a signed written statement alleging facts in addition to or different from those found by the Investigator, explaining why such alleged facts demonstrate that a warning or admonishment is not warranted, and requesting that the matter be referred to a Hearing Board for a determination;~~

~~provided in each case that the signed written statement or request is accompanied by the statement described in IV.C.2.~~

P-15.4
11/13

~~2. Any written statement pursuant to IV.C.1.a or IV.C.1.c shall conclude with the following statement by the member subject to the complaint:~~

~~"All facts alleged in this statement are, to the best of my knowledge, true, correct and complete, and I have neither knowingly misrepresented nor knowingly omitted any information which would be material to the evaluation of the merits of this statement. I understand that if the foregoing statements are untrue, I may have violated the Society's Code of Ethics."~~

~~Any written request pursuant to IV.C.1.b shall conclude with the following statement by the member subject to the complaint:~~

~~"All facts that I will allege in the meeting or telephone conference I am hereby requesting will be, to the best of my knowledge, true, correct and complete, and I will not knowingly misrepresent or knowingly omit any information which would be material to the evaluation of the merits of the facts I will allege. I understand that if I make statements that are untrue, I may have violated the Society's Code of Ethics."~~

~~3. If a meeting or telephone conference is requested pursuant to IV.C.1.b, such meeting or telephone conference must take place, if at all, within thirty (30) days of the Executive Director's receipt of the written request for such meeting or telephone conference (unless the Chair of the Ethics Committee consents to extend such period). If it does not take place within such time period, a letter of warning/admonishment shall be issued as if no request had been timely submitted pursuant to IV.C.b.1. The Chair of the Ethics Committee shall designate the time and place of any meeting or telephone conference requested pursuant to IV.C.1.b and may request staff assistance by the Society.~~

~~4. Following consultation with the Ethics Committee, the Chair of the Committee shall determine, on the basis of the complaint, the report of the Investigator, and the information supplied pursuant to IV.C.1, whether and to what extent a letter of warning/admonishment is warranted or, if a Hearing Board has been requested, whether a Hearing Board is warranted. A determination pursuant to this IV.C.4 shall be made (and the Chair shall provide written notification to the Executive Director of such determination) not less than thirty (30) days after the first to occur of (i) the receipt of a written statement provided in accordance with IV.C.1.a or IV.C.1.c or (ii) the conduct of a meeting or telephone conference requested pursuant to IV.C.1.b. Except as provided in IV.D, a determination pursuant to this IV.C.4 may not be appealed.~~

~~5. If, pursuant to IV.C.4, a proposed letter of warning/admonishment is determined to be warranted or unwarranted, in whole or in part, the matter shall be handled as provided in IV.B.7 for situations in which proposed letters of warning/admonishment are appealed and deemed warranted or unwarranted,~~

P-15.4
11/13

~~as the case may be. If a proposed letter of warning/admonishment is deemed warranted only in part, there shall be both a letter of warning/admonishment with respect to those matters deemed warranted and a notification of withdrawal of the proposed letter of warning/admonishment with respect to those matters deemed unwarranted. A determination that a Hearing Board is unwarranted shall be treated as a determination that a letter of warning/admonishment is warranted.~~

~~6. If, pursuant to IV.C.4, a Hearing Board is determined to be warranted, the Executive Director, within thirty (30) days of receipt of the notification described in IV.C.4~~

~~a. shall notify the President in writing that a Hearing Board is mandated pursuant to IV.C.4 and shall provide the President with a copy of the complaint, a copy of the Investigator's report, a copy of the proposed letter of warning/admonishment, a copy of the written statement described in IV.C.1.c, and a copy of the determination of the Chair of the Ethics Committee provided pursuant to IV.C.4.~~

~~b. shall notify the member who is subject to the complaint in writing that a Hearing Board is mandated pursuant to IV.C.4 and that further information will be forthcoming once the Hearing Board has been appointed.~~

~~D. Appeal Phase (Letters of Warning/Admonishment)~~

~~1. Notwithstanding the closure of a matter pursuant to IV.B.7.b, a member who receives a letter of warning/admonishment may appeal the matter to the Board of Governors, provided the letter of appeal is received by the Office of the Executive Director not later than thirty (30) days after the letter of warning/admonishment is sent to the member. Any such appeal shall conclude with the following statement by the member:~~

~~"All facts alleged in this appeal are, to the best of my knowledge, true, correct and complete, and I have neither knowingly misrepresented nor knowingly omitted any information which would be material to the evaluation of the merits of this appeal. I understand that if the foregoing statements are untrue, I may have violated the Society's Code of Ethics."~~

~~2. A member's appeal shall be disqualified if it is made directly to members of the Board of Governors or is accompanied by direct communications with the Board of Governors. The member and his or her legal counsel shall be permitted to meet with the Board of Governors only at its option. The appeal shall be denied unless the member demonstrates to the satisfaction of the Board of Governors (a) that the procedure for issuance of such a letter was not followed and (b) that no letter of warning/admonishment was warranted.~~

P-15.4
11/13

~~3. In the event of an appeal, the Board of Governors may elect to remand the matter to the Chair of the Ethics Committee for further consideration, in which case a further unfavorable determination may not be appealed other than for a further failure to follow the procedure for the issuance of a letter of warning/admonishment.~~

~~E. Hearing Phase~~

~~1. The President shall, within thirty (30) days of receipt of the notification described in IV.B.8 or IV.C.6 appoint a Hearing Board composed of three (3), four (4), or five (5) members of the Committee of Past Presidents, such appointment to be made by certified mail (return receipt requested). The President shall include with the appointment a copy of the materials supplied to the President pursuant to IV.B.8 or IV.C.6, as the case may be. The President shall designate one (1) member of the Hearing Board as its Chair. The President shall simultaneously notify the Executive Director and the Board of Governors of the appointees to the Hearing Board. The appointment of the members of a Hearing Board and the appointment of its Chair may not be appealed.~~

~~2. At the time the Hearing Board is appointed, the President shall also designate one (1) additional member of the Committee of Past Presidents as an alternate member of the Hearing Board. Once the alternate appointee has joined the Hearing Board, the President shall have the authority to fill any other vacancies which arise by reason of the resignation or death of a Hearing Board appointee. Notwithstanding the foregoing, no alternate appointee may join the Hearing Board and no vacancy may be filled after the commencement of the Hearing.~~

~~3. Each appointee shall review promptly the materials provided pursuant to IV.E.1 and shall notify the President within thirty (30) days of receipt of such materials of his or her resignation from the Hearing Board if there exists any conflict of interest, friendship, prejudice, or other prejudice that might interfere with his or her ability to consider the matter in a disinterested manner, whereupon the alternate member of the Hearing Board shall join the Hearing Board.~~

~~4. Promptly upon receipt of notification of the President's appointees to the Hearing Board, the Office of the Executive Director shall contact the charged member (in matters described in IV.B.8) or the member subject to the complaint (in matters described in IV.C.6) in writing or by telephone in order to ascertain dates, times and locations that would be convenient or inconvenient for the Hearing. The Office of the Executive Director shall provide the information to the Chair of the Hearing Board. Such information is ascertained as a courtesy only, and the Hearing Board shall in no way be limited in setting the date, time and location of the Hearing by reason of such information.~~

~~5. Within thirty (30) days of notification of their appointment, the members of the Hearing Board shall confer by telephone or other means to determine a~~

P-15.4
11/13

~~convenient date, time and place for the Hearing. The date selected shall be such as to afford at least thirty (30) days' notice of the Hearing to the following "interested parties": the complainant, the charged member or member subject to the complaint, the Investigator and all other persons who will be invited to provide testimony at the Hearing.~~

~~6. The Executive Director shall notify the interested parties by certified mail (return receipt requested) of the date, time and place of the Hearing. In matters described in IV.B.8, the notification to the charged member shall be accompanied by a copy of the statement of charges. In matters described in IV.B.8 or IV.C.6, the notification to the charged member or member subject to the complaint, as the case may be, shall also be accompanied by a copy of the report of the Investigator.~~

~~7. In order to respond to the statement of charges or the proposed letter of warning/admonishment, the charged member or member subject to the complaint, as the case may be, is eligible (but not required) (a) to appear at the Hearing in person, with legal counsel if desired, and (b) to provide a written statement to the Hearing Board. Although the member's attendance is not required, he or she is urged to attend.~~

~~8. The Hearing shall be conducted as follows:~~

~~a. Attendance at Hearings shall be limited to:~~

- ~~1) members of the Hearing Board,~~
- ~~2) the Executive Director and other designated Society staff members,~~
- ~~3) the Investigator,~~
- ~~4) the charged member or the member subject to the complaint, as the case may be, and his or her invitees~~
- ~~5) the complainant,~~
- ~~6) witnesses,~~
- ~~7) a qualified court reporter,~~
- ~~8) Legal counsel for the Society and for any of the above if desired,~~
- ~~9) observers from the Ethics Committee.~~

~~b. The charged member or member subject to the complaint, as the case may be, and his or her counsel shall have the right to be present throughout the Hearing and the right to question any witness, the complainant, if present, and the Investigator.~~

~~c. A record of the Hearing shall be made by a qualified court reporter. A transcript will be prepared of the Hearing and a copy made for the Society and a copy made for the charged member or member subject to the complaint, as the case may be.~~

P-15.4
11/13

- ~~d. The Chair of the Hearing Board shall preside.~~
- ~~9. The Agenda for the Hearing shall be as follows:~~
 - ~~a. Opening statement by the Chair of the Hearing Board containing a summary of the issues before the Hearing Board (to be accompanied with distribution to all present of the statement of charges or the proposed letter of warning/admonishment, as the case may be).~~
 - ~~b. Statement by the Chair that the Hearing Board will limit its deliberations and voting to the statement of charges or the proposed letter of warning/admonishment, as the case may be.~~
 - ~~c. Opening statement by the charged member or member subject to the complaint, as the case may be, or his or her counsel (the opening statement to be made at the option of the charged member or member subject to the complaint).~~
 - ~~d. Presentation by the Investigator of evidence relating to the matter.~~
 - ~~e. Defense or rebuttal by the charged member or member subject to the complaint (the defense or rebuttal to be made at the option of the charged member or member subject to the complaint). (If no defense or rebuttal is presented either in person or in writing, the Hearing Board shall proceed with the Hearing on the basis of the statement of charges or proposed letter of warning/admonishment, as the case may be, the materials presented to the Hearing Board pursuant to IV.E.1, and Investigator's oral presentation at the Hearing).~~
 - ~~f. A short recess to allow the Hearing Board members opportunity to review the evidence and prepare questions.~~
 - ~~g. Opportunity for members of the Hearing Board to question any witness; the charged member or member subject to the complaint, as the case may be, if present; the complainant if present; and the Investigator.~~
 - ~~h. Closing statements, if desired, by the Investigator and by the charged member or member subject to the complaint, as the case may be, or his or her counsel (the closing statement by or on behalf of the charged member or member subject to the complaint to be made at the option of that member).~~
 - ~~i. The Chair shall then close the Hearing and the Hearing Board shall go into executive session to discuss the evidence presented and reach a decision.~~
- ~~10. An alleged violation of the Code of Ethics or Conflicts of Interest Policy shall be sustained or deemed to have been proven only if the preponderance of the~~

P-15.4
11/13

~~evidence establishes facts which, if true, would constitute a violation of the Code of Ethics or Conflicts of Interest Policy. Accordingly, the Hearing Board is charged with evaluating both (a) the sufficiency of the allegations to establish a violation of the Code of Ethics or Conflicts of Interest Policy and (b) the truth of those allegations.~~

~~11. The Hearing Board shall determine the case by voting by ballot. A majority vote of the entire Hearing Board shall prevail.~~

~~12. The following procedure will be followed sequentially in the case of matters involving the appeal of a proposed letter of warning/admonishment:~~

~~a. With respect to each provision of the Code of Ethics or Conflicts of Interest Policy alleged in the proposed letter to have been violated, the Hearing Board shall determine in a separate ballot with respect to each such provision whether the alleged violation has been sustained or proven.~~

~~b. If no alleged violation is voted to have been sustained or proven, the member subject to the complaint shall be declared "cleared of all allegations," whereupon the procedure in IV.B.7 for situations in which proposed letters of warning/admonishment are appealed and deemed unwarranted shall be followed.~~

~~c. If any alleged violation is voted to have been sustained or proven, the issuance of a letter of warning/admonishment with respect to those violations only shall be deemed to be warranted, whereupon the procedure in IV.B.7 for situations in which proposed letters of warning/admonishment are appealed and deemed warranted shall be followed.~~

~~d. If a proposed letter of warning/admonishment is deemed warranted only in part, there shall be both a letter of warning/admonishment with respect to those matters deemed warranted and a notification of withdrawal of the proposed letter of warning/admonishment with respect to those matters deemed unwarranted.~~

~~e. Except as provided in IV.D, a determination pursuant to this IV.E.12 may not be appealed.~~

~~f. The remaining portions of IV.E shall not apply with respect to matters involving the appeal of a proposed letter of warning/admonishment.~~

~~13. The following procedure will be followed sequentially in the case of matters involving a statement of charges:~~

~~a. With respect to each provision of the Code of Ethics or Conflicts of Interest Policy alleged in the statement of charges to have been violated, the Hearing~~

P-15.4
11/13

~~Board shall determine in a separate ballot with respect to each such provision whether the alleged violation has been sustained or proven.~~

~~b. If no alleged violation is voted to have been sustained or proven, the member subject to the complaint shall be declared "cleared of all charges."~~

~~c. If one (1) or more charges are sustained, a ballot shall be taken on the question: "Shall the Hearing Board recommend that the charged member be expelled from the Society?" A vote of two thirds of the entire Hearing Board shall be required for expulsion.~~

~~d. If the ballot on expulsion fails to carry, a ballot shall then be taken on the question: "Shall the Hearing Board recommend that the charged member be suspended for one (1) year from the Society?" A majority vote of the entire Hearing Board shall prevail.~~

~~Suspension shall withdraw all rights and privileges of the member, but it shall not affect any Society insurance protection.~~

~~e. If the ballot on suspension fails to carry, a ballot shall be taken on the question: "Shall the Hearing Board recommend that the charged member be sent a letter of censure?" A majority vote of the entire Hearing Board shall prevail.~~

~~f. If the ballot on censure fails to carry, the charged member shall be declared "cleared of all charges."~~

~~g. If the charged member has resigned without right of reapplication and is subsequently "cleared of all charges," suspended, or censured, per IV.E.13.b, d or e, the words, "without right of reapplication" shall be removed from the charged member's resignation record.~~

~~h. If the charged member has resigned without right of reapplication and is subsequently expelled, per IV.E.10.c, the member's resignation shall remain "without right of reapplication."~~

~~14. Within five (5) business days of its determination with respect to a matter involving a statement of charges, the Hearing Board shall provide written notification of the determination (including the text of any opinion in which the determination is recorded) (the "decision") to the Executive Director, the President, and the Chair of the Ethics Committee.~~

~~15. A determination by the Hearing Board that a charged member is "cleared of all charges" may not be appealed, and the complaint in the matter is barred and, even if revised, may not be resubmitted.~~

P-15.4
11/13

~~16. Within thirty (30) days after receipt of a decision that a charged member is "cleared of all charges," the Executive Director shall:~~

~~a. provide the Board of Governors and the members of the Ethics Committee with a copy of the decision,~~

~~b. by certified mail (return receipt requested), provide all interested parties with a copy of the decision together with notice that the matter is closed pursuant to IV.E.15,~~

~~c. shall deposit the decision in the official file of the matter, close such file, and retain the file in the records of the Society for not less than ten (10) years from the date on which the initial complaint was received by the Society.~~

~~17. Within thirty (30) days after receipt of a decision that a charged member has violated the Code of Ethics or Conflicts of Interest Policy, the Executive Director shall:~~

~~a. provide the Board of Governors and the members of the Ethics Committee with a copy of the decision,~~

~~b. provide the Board of Governors with a copy of the materials supplied to the President pursuant to IV.B.8 and a copy of any written statement submitted by or on behalf of the charged member pursuant to IV.E.7.b, and~~

~~c. by certified mail (return receipt requested), provide the charged member with a copy of the decision and notification that, unless the decision is appealed within thirty (30) days as provided in IV.F.1, the Hearing Board's determination will be reviewed by the Board of Governors pursuant to IV.F.5.~~

~~18. The expenses incurred by the Hearing Board for travel of the Hearing Board members, the court reporter, the Society's legal counsel, and witnesses required by the Hearing Board shall be covered by the Society. The charged member or member subject to the complaint shall be responsible for any expenses relating to the member's defense, including counsel and witnesses.~~

~~F. Review and Appeal Phase (Expulsion, Suspension or Censure)~~

~~1. If a Hearing Board determines that a member has violated the Code of Ethics or Conflicts of Interest Policy, the member may appeal the matter to the Board of Governors, provided the letter of appeal is received by the Office of the Executive Director not later than thirty (30) days after the notification described in IV.E.14.c is sent to the member. Any such appeal shall conclude with the following statement by the member:~~

P-15.4
11/13

~~“All facts alleged in this appeal are, to the best of my knowledge, true, correct and complete, and I have neither knowingly misrepresented nor knowingly omitted any information which would be material to the evaluation of the merits of this appeal. I understand that if the foregoing statements are untrue, I may have violated the Society’s Code of Ethics.”~~

~~2. A member’s appeal shall be disqualified if it is made directly to members of the Board of Governors or is accompanied by direct communications with the Board of Governors. The Board of Governors will review the record of the Hearing, the written request for the appeal and any written statement submitted by or on behalf of the charged member and will hear the charged member in person or by his or her legal counsel. The appeal shall be denied unless the member demonstrates to the satisfaction of the Board of Governors (a) that there were substantial errors in significant information presented to the Hearing Board, (b) that there is additional information, not made available to the Hearing Board, which might reasonably have led it to a different result, (c) that the Hearing Board’s decision was erroneous, or (d) that the Hearing Board failed to follow the procedures set forth in IV.E. Procedural errors prior to the Hearing shall not be grounds for the appeal of a Hearing Board decision.~~

~~3. The Board of Governors may take the following action after the appeal:~~

~~a. The Board of Governors may sustain the decision of the Hearing Board and implement the recommended action against the charged member.~~

~~b. The Board of Governors may sustain the decision of the Hearing Board, but modify the recommended action against the charged member to a less serious action.~~

~~c. The Board of Governors may dismiss the charge against the charged member.~~

~~4. If the Board of Governors elects action under IV.F.3.a. or b., the following voting rules shall apply (notwithstanding any contrary provision of the Society’s Constitution or By-Laws):~~

~~a. An affirmative vote of seven (7) members of the Board of Governors, at a meeting where a quorum is present, shall be required to confirm a decision of the Hearing Board leading to the expulsion of the charged member.~~

~~b. An affirmative vote of six (6) members of the Board of Governors, at a meeting where a quorum is present, shall be required to confirm a decision of the Hearing Board leading to the suspension or censure of the charged member.~~

P-15.4
11/13

~~5. If the charged member does not appeal the decision of the Hearing Board, the Board of Governors shall at its next regularly scheduled meeting vote on whether to confirm the decision of the Hearing Board and to implement the recommended action. If the Board of Governors elects not to confirm the decision of the Hearing Board, the Board of Governors shall determine such actions as it deems fitting and proper.~~

~~6. It shall be within the discretion of the Board of Governors to determine what portion, if any, of its fact finding and deliberations concerning an appeal under this IV.F shall be conducted in executive or special session.~~

~~7. Within thirty (30) days of a decision by the Board of Governors, the Executive Director shall:~~

~~a. provide the Chair of the Ethics Committee with written notification of the decision together with any accompanying explanations provided by the Board of Governors, to be used for the future guidance of the Committee in its administration of ethics matters brought before it,~~

~~b. by certified mail (return receipt requested), provide all interested parties with written notification of the decision together with notice that the matter is closed pursuant to IV.F.6,~~

~~c. shall deposit a copy of such written notification in the official file of the matter, close such file, and retain the file in the records of the Society for not less than ten (10) years from the date on which the initial complaint was received by the Society.~~

5. The Board of Governors shall not be bound by the recommendations of the Investigative Panel and may upon review of the complaint; (1) determine that the complaint is not supported by the facts; (2) determine that a lesser sanction such as a letter of warning/admonishment should be issued; or (3) suspend or expel the member. The Board of Governors should ordinarily make such determination in a closed session of the Board.

Within thirty (30) days of the rendering of a decision by the Board of Governors, the Executive Director shall:

a. by certified mail (return receipt requested), notify the subject of the complaint of the resolution of the matter pursuant to this Section IV.B.5;

b. by certified mail (return receipt requested), notify the complainant that the matter is closed pursuant to Section IV.B.5 and if the matter is not resolved publicly that the resolution shall be held confidential and not revealed to any other parties by the complainant;

Formatted: Font color: Auto

Formatted: Justified, Indent: Left: 1.5", Tab stops: 1.5", Left

Formatted: Justified, Indent: Left: 2", Space After: 0 pt, Line spacing: single, Tab stops: 1.5", Left + 2", Left

P-15.4
11/13

c. by certified mail (return receipt requested), notify all witnesses who had been interviewed by the Investigative Panel that the matter is closed, and

d. close the official file on the matter and retain in the files of the Society for not less than ten (10) years from the date on which the initial complaint was received by the Society.

6. ~~Decisions of the Board of Governors may not be appealed.~~ A complaint disposed of by the Board of Governors, even if the complaint is revised, may not be resubmitted.

~~6-7.~~ All files concerning ethics complaints and the resolution thereof shall be confidential and may not be disclosed except by authority of the Board of Governors. The records shall be retained for a period of not less than ten (10) years from the date on which the initial complaint was received by the Society. The proceedings may be synopsized and made anonymous for later publication for instructive purposes.

~~6-8.~~ The membership shall be notified of all disciplinary actions taken by the Board of Governors under this Section IV.BF for violations of the Code of Ethics or Conflicts of Interest Policy, by publication of a suitable notice in MECHANICAL ENGINEERING or ASME NEWS. The name of the disciplined member shall not be published. However, the action of the Board of Governors, including the name of the disciplined member, shall be reported to the section chair and appropriate Society officers.

Formatted: Space After: 0 pt, Line spacing: single

Formatted: List Paragraph, Indent: Left: 1", Hanging: 0.5", Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 6 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5", Tab stops: Not at 1.75"

Formatted: Indent: Left: 1", Hanging: 0.5", Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 6 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5", Tab stops: Not at 1.75"

Formatted: Indent: Left: 1", Hanging: 0.5", Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 6 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5", Tab stops: Not at 1.75"

Formatted: Line spacing: single

Responsibility: Committee of Past Presidents/Ethics Committee

Reassigned from Centers Board of Directors/Center for Career and Professional Advancement/Committee on Ethical Standards and Review 2/2012

Reassigned from Centers Board of Directors/Center for Professional Development, Practice & Ethics/Committee on Ethical Standards and Review 4/23/09

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

Formatted: Justified

Formatted: Line spacing: single

Adopted: June 18, 1975

Revised: September 29, 1978
June 25, 1980
November 17, 1983
(editorial changes 3/84)

P-15.4
11/13

June 14, 1985
(editorial changes 6/87)
(editorial changes 3/88)
June 18, 1989
June 6, 1990
(editorial change 2/94
November 21, 1996
(editorial changes 9/97)
June 9, 1999
(editorial changes 6/02)
(editorial changes
September 23, 2005
November 5, 2006
(editorial changes in responsible unit 4/09)
(Unit Reassignment Due to Reorganization 2/12)
November 15, 2013
September xx, 2019

Formatted: Left, Line spacing: single, Hyphenate, Tab stops: Not at -0.5" + 1" + 1.5" + 3"



Board of Governors Meeting Agenda Item Cover Memo

Date Submitted:	October 29, 2019
BOG Meeting Date:	November 10, 2019
To:	Board of Governors
From:	Committee on Organization and Rules
Presented by:	Fred Stong
Agenda Title:	By-Law Amendment – Committee of Past Presidents

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 approve for first reading 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:	October 14, 2019
BOG Meeting Date:	November 10, 2019
To:	Board of Governors
From:	Michael W. Johnson
Presented by:	Michael W Johnson
Agenda Title:	Mission & Vision Statements

Agenda Item Executive Summary:

Redrafted Mission & Vision statements as presented at the September 25th Board of Director conference call.

Proposed motion for BOG Action: Approval of modification of language related to the Mission & Vision statements

Attachment(s): PowerPoint presentation

Vision Statement

Vision - Current

- ASME aims to be the essential resource for mechanical engineers and other technical professionals throughout the world for solutions that benefit humankind.

Current Recommendation

- ASME's vision is to be the premier resource for the engineering community globally

Mission Statement

Mission - Current

- ASME's mission is to serve diverse global communities by advancing, disseminating, and applying engineering knowledge for improving the quality of life; and communicating the excitement of engineering.

Current Recommendation

- ASME's mission is to advance engineering for the benefit of humanity

MOTION

Approval of the modification of language related to the Mission & Vision statements.

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

Date Submitted: October 18, 2019
BOG Meeting Date: November 10, 2019

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 October 17, 2019.

Proposed motion for BOG Action:

To approve the attached appointments.

Attachments: Document attached.

NOVEMBER 2019

**PROPOSED APPOINTMENT
TO ASME UNIT**

Internal Unit	Nominee	Appointment Position/Title	Appointment Term/Category	Appointment Type	History
Student and Early Career Development Council	Nicole Dyess	Member-at-Large	October 2019 – June 2020	Initial	Nominating Committee Secretary, General Awards Committee Chair

**PROPOSED APPOINTMENTS
TO EXTERNAL ORGANIZATION**

External Unit	Nominee	Appointment Position/Title	Appointment Term/Category	Appointment Type	History
Daniel Guggenheim Medal Board	George Kardomateas	ASME Representative	October 2019 – September 2022	Re-appointment	Composite Materials Chair
Daniel Guggenheim Medal Board	Zoubeida Ounaies	ASME Representative	October 2019 – September 2022	Initial	Aerospace Division Chair



Board of Governors Meeting Agenda Item Cover Memo

Date Submitted:	October 11, 2019
BOG Meeting Date:	November 10, 2019
To:	Board of Governors
From:	Mahesh Aggarwal, DISC Chair
Presented by:	Jennifer Cooper, DISC member and Mahesh Aggarwal, DISC Chair
Agenda Title:	ASME's Diversity and Inclusion Vision for Success

Agenda Item Executive Summary:

The Diversity and Inclusion Strategy Committee (DISC) is working with the Kaleidoscope Group and ASME's Human Resources to better define and communicate the Society's guiding principles on diversity and inclusion.

A presentation will be made to provide information on the draft documents and next steps.

Proposed motion for BOG Action: **Discussion only.**

Attachment(s): Presentation



ASME's Diversity and Inclusion Vision for Success

Mahesh Aggarwal and Jennifer Cooper

November 10, 2019

What to Expect from Presentation

- Brief Description – Overview of ASME’s diversity and inclusion (D&I) vision for success positioning statements
- Desired Outcome – Information Only
- Questions – Please hold questions until after the presentation
- Duration – 30 minutes



Agenda



- Why Diversity and Inclusion?
- Progress to Date
- Next Steps

Diversity and Inclusion Supports ASME Mission & Vision



- Workplace diversity delivers bottom-line benefits to organizations committed to inclusion
- Diversity is about who you engage, while inclusiveness is about an environment of trust and involvement
- Diversity and Inclusion require leadership from the top of the organization

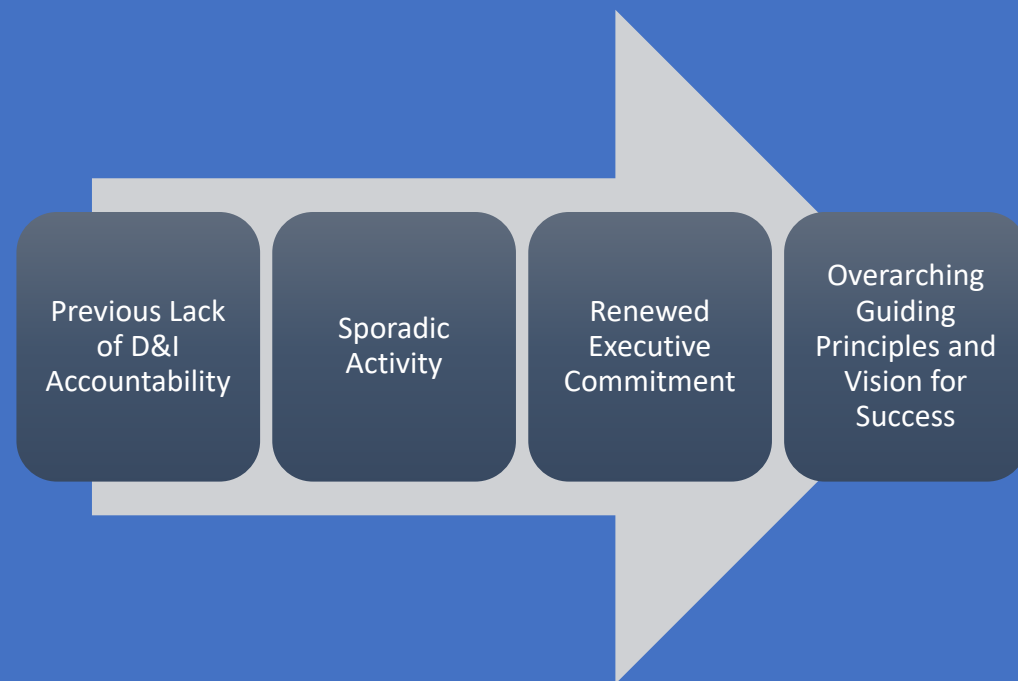


Recent Successes

- Child Care at IMECE
- Common Conference Elements document
- Diversity Training for the Nominating Committee
- DISC will be reporting to the BOG



Challenges to Opportunities

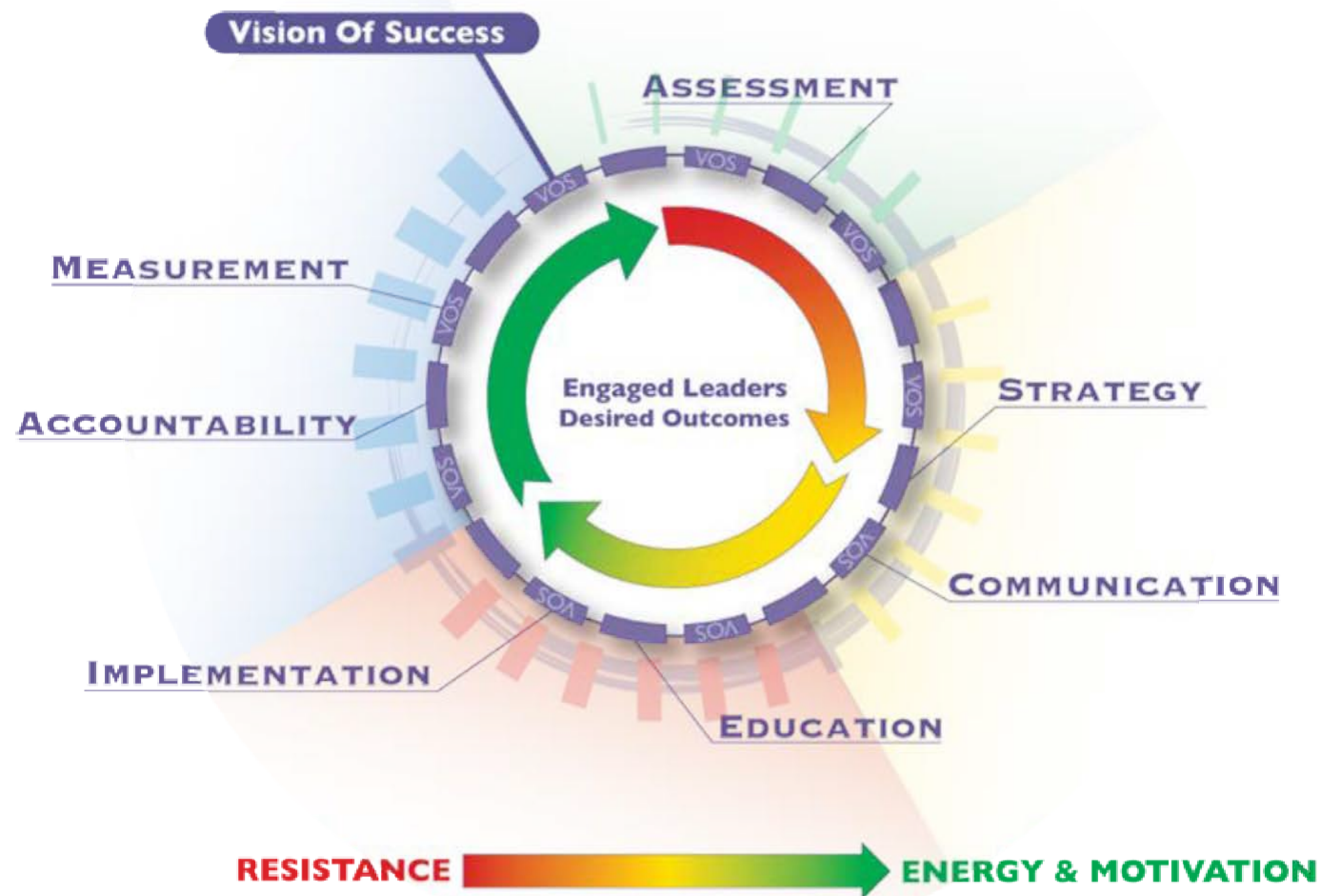




Goal

An overarching D&I strategy for ASME that leverages and aligns both volunteer and staff activity to better serve our leaders, staff, volunteers, members, teams, partners, and communities.

D&I Journey – A Strategic Approach



Progress to Date

- ASME D&I Vision of Success Positioning Statements, which include:
 - D&I Statement
 - Guiding Principles
 - Code of Conduct

D&I Statement

To be engaged and contribute, you must feel respected and valued. At ASME, we are striving to build and nurture a culture of inclusiveness. We know through experience that different ideas, perspectives, and backgrounds create a stronger, more creative work environment that delivers robust solutions. ASME's inclusive culture encourages, supports, and celebrates the diverse voices of our employees, volunteers, customers, and communities.



Guiding Principles

We are a global, diverse, and inclusive Society

We are a Society that adheres to the highest standards

We are a Society focused on the next generation





Code of Conduct for a Diverse and Inclusive Culture

- Inclusion
- Innovation
- Integrity
- Collaboration
- Transparency

Next Steps



- Invest in employee and volunteer engagement with diversity and inclusion
 - Integration of Positioning Statements through presentations to ASME members, volunteers, staff, etc., as well as onboarding of new volunteers/staff
 - Link to ASME 2020 culture objective



Thank You!
Questions?

D&I POSITIONING STATEMENTS

November 10, 2019

DRAFT

DIVERSITY AND INCLUSION: A FOUNDATION FOR INNOVATION AND SUCCESS

To be engaged and contribute, you must feel respected and valued. At ASME, we are striving to build and nurture a culture of inclusiveness. We know through experience that different ideas, perspectives, and backgrounds create a stronger, more creative work environment that delivers robust solutions. ASME's inclusive culture encourages, supports, and celebrates the diverse voices of our employees, volunteers, customers, and communities.

GUIDING PRINCIPLES

As the leading membership society for engineers and technical professionals across the globe, ASME celebrates our successes and advancements of the past while preparing and keeping an eye on the future. Our Guiding Principles align us with those foundational beliefs that help drive our Society while grounding us in core common values that everyone has the potential to make a difference and contribute to the development of humanity. These Guiding Principles are to be demonstrated by our leaders, staff, volunteers, members, teams, partners, and the communities we serve at all times.

We are a global, diverse, and inclusive Society. ASME recognizes the broad, dynamic, and highly competitive environment in which we operate. The products and services we create, disseminate, and apply impact people, culture, and the environment globally on a daily basis. We seek to be leaders as well as good stewards of the earth by engaging with other professional societies to advance technology in a socially responsible manner.

We are a Society that adheres to the highest standards. We uphold the highest standards for our work through integrity, quality, and excellence. These practices, which are shared across the globe, ensure consistency, accountability and consciousness to always do our very best and make a difference.

We are a Society focused on the next generation. Our youth are our future. The Society fosters relationships with K-12, higher education, fellow societies, and communities, creating a global, diverse pipeline of leaders and engineers. By inspiring creativity, providing a common culture for new ideas to flourish, and celebrating and sharing successes, the Society is poised to take full advantage of current and future opportunities.

D&I POSITIONING STATEMENTS

November 10, 2019

CODE OF CONDUCT

The behaviors outlined below are an expression of our Guiding Principles for a diverse and inclusive culture. These behaviors, modeled by all stakeholders (leaders, staff, volunteers, members, teams, partners, and the communities we serve), make us an inviting, welcoming, and impactful Society.

Inclusion - Treat everyone with dignity and be respectful of different ways of doing, thinking, and being. Share thoughts and perspectives honestly, even when we disagree.

Innovation - Leverage diverse perspectives to fuel innovative thinking, new products, and impactful solutions.

Integrity - Uphold the highest quality of work and standards for which the Society is known, demonstrating honesty and integrity in all dealings.

Collaboration - Work across staff, volunteer, member, team, and community lines to tap into knowledge and expertise for superior achievement.

Transparency - Share information generously, welcoming divergent viewpoints and approaches. Be curious in uncovering opportunities and resolving challenges.



Board of Governors Meeting Agenda Item Cover Memo

Date Submitted:	October 28, 2019
BOG Meeting Date:	November 10, 2019
To:	Board of Governors
From:	George Papadopoulos, Senior Vice President, TEC Sector
Presented by:	George Papadopoulos, Senior Vice President, TEC Sector
Agenda Title:	TEC Organization

Agenda Item Executive Summary:

Provide a briefing on the TEC structure for review and proposed changes for enhancement.

Proposed motion for BOG Action: n/a

Attachment(s): Presentation

2019 Technical and Engineering Communities Proposed Recommendation and Path Forward

November 10 Board Of Governors Briefing

What to Expect from Presentation

- **Brief Description** – Provide a briefing on the TEC structure review and proposed changes for enhancement
- **Desired Outcome** – This presentation serves as the SVP’s recommendation in regards to the following motion:
 - Approve in principle the change of the name of Technical Events and Content Sector to Technical and Engineering Communities (TEC) Sector.
 - Assign to the Senior Vice President of TEC the development of a reporting and governance structure and operating documents taking into consideration the recommendations of the Task Force on Organizational Structure for review by the Board of Governors.
- **Questions** – Please hold questions until after the presentation
- **Duration** – 60 Minutes have been allocated for the presentation and discussion

Perspective on TEC

- The 2014 Re-Organization created the TEC structure with the charter to focus solely on events, with Divisions free to engage within the broader ASME structure.
 - Over time, TEC and specifically the Segments, have made adjustments and organically corrected the fragmentation to a good level by creating links to Divisions, and working together within the event organizing framework.
 - Divisions that have been active in organizing events have seen the most benefits, and are currently healthy with a leadership and governance structure, working with associated Segments, and having a voice on the SLT.
 - Some divisions, however, that have not had a traditionally strong heritage of organizing stand alone events have fallen on the wayside as TEC had **no means for engaging given its charter.**

NEW Strategic Technology Products in FY2019

Pressure Vessels	Asset Integrity Management Conference—Pipeline Integrity Management under Geohazard Conditions—March 2019	Energy Sources & Processing SLT, Petroleum, Pipeline Systems, and Ocean, Offshore & Arctic Engineering Divisions
Manufacturing	Advanced Manufacturing & Repair for Gas Turbines—March 2019	Gas Turbine Segment Leadership Team, International Gas Turbine Institute
	Women in Additive Manufacturing Forum at MSEC—June 2019	Design, Materials & Manufacturing Segment Leadership Team, Manufacturing Division
Robotics	SERAD Forum on Safety, Risk and Reliability of Autonomous Vehicles—April 2019	Safety Engineering and Risk Analysis Division
Clean Energy	Offshore Wind Technical Conference—November 2018	Ocean, Offshore & Arctic Engineering Division



The Curtis Hotel,
Denver, CO

Clean Energy applications involved at ACES include:

- Solar Energy
- Nuclear Energy
- Advanced Energy Systems
- Oil and Gas
- Gas Turbines
- Wind Energy
- Material & Energy Recovery
- Environmental Systems
- Energy Storage

Represented ASME Divisions:

- ☐ Gas Turbine Division
- ☐ Nuclear Engineering Division
- ☐ Power Division
- ☐ Petroleum Division
- ☐ Materials and Energy Recovery Division
- ☐ Solar Energy Division
- ☐ Ocean, Offshore, and Arctic Engineering Division
- ☐ Advanced Energy Systems Division
- ☐ Environmental Engineering Division

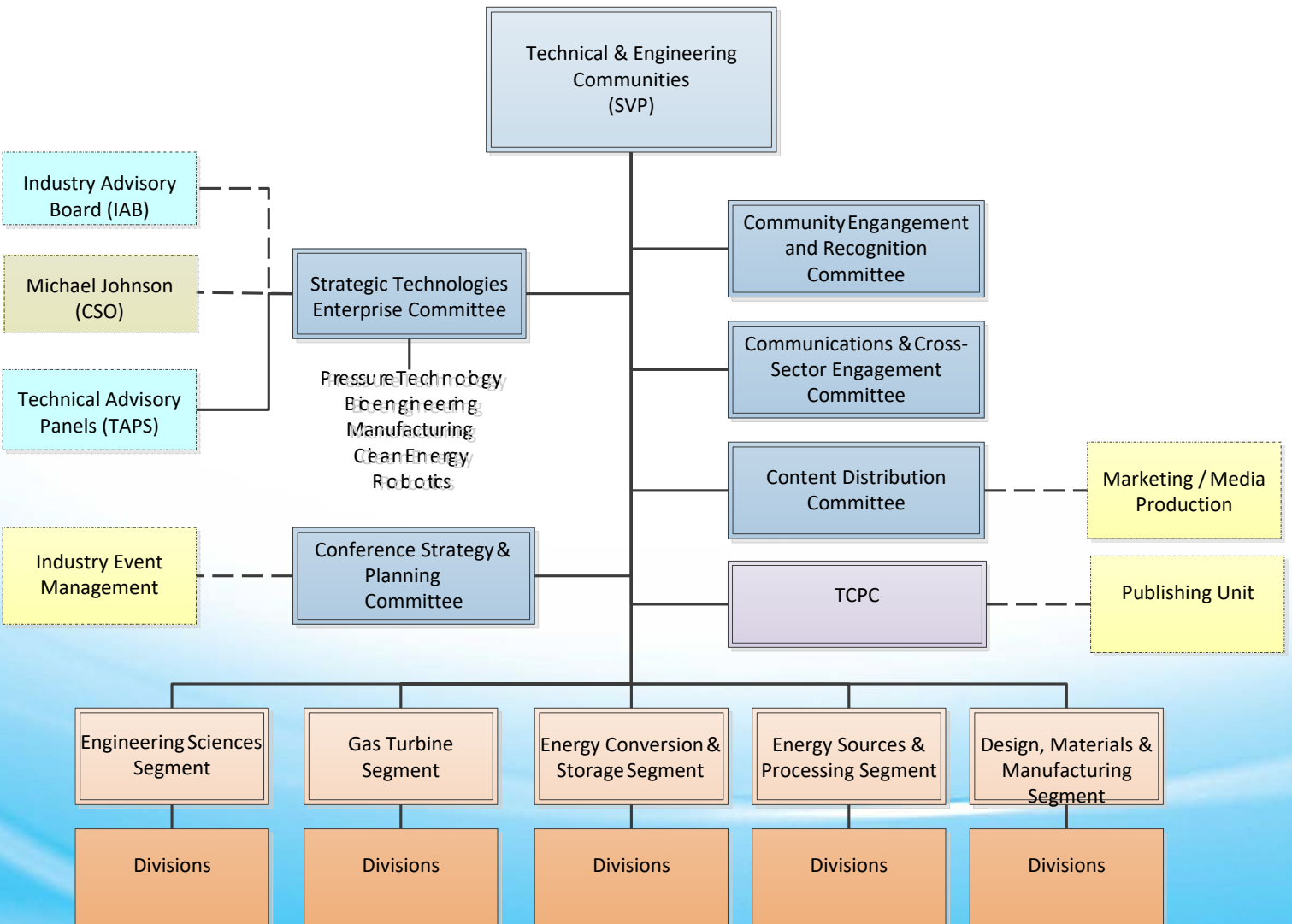
Considerations for TEC Structure Adjustment

- Address division alignment, inclusion and support
- Address integration and visibility of strategic technologies within TEC structure
- Expand on responsibilities to cover operations, strategy, engagement, communication, and recognition across the TEC member structure.
- Increase pathways for volunteer engagement within the TEC structure

Leadership Structure Improvements

- Empower Segments to fully engage with Technical Divisions and Research Committees to strengthen relationships and provide the leadership and support structure that is currently lacking.
 - Develop guidelines for roles and responsibilities, as well as, update the Segment operational framework.
- Ensure that Divisions have a voice in Segment operation.
 - Divisions select primary Segment to coordinate with; but could take on liaison role with other Segment to assure coordination (example Aerospace Division)
 - Segments are free to adjust SLT member pathways to best support their respective Division makeup.
- Enable opportunities for cross-divisional engagement that enhances events and improves value proposition for the community at large.

Proposed TEC Structure

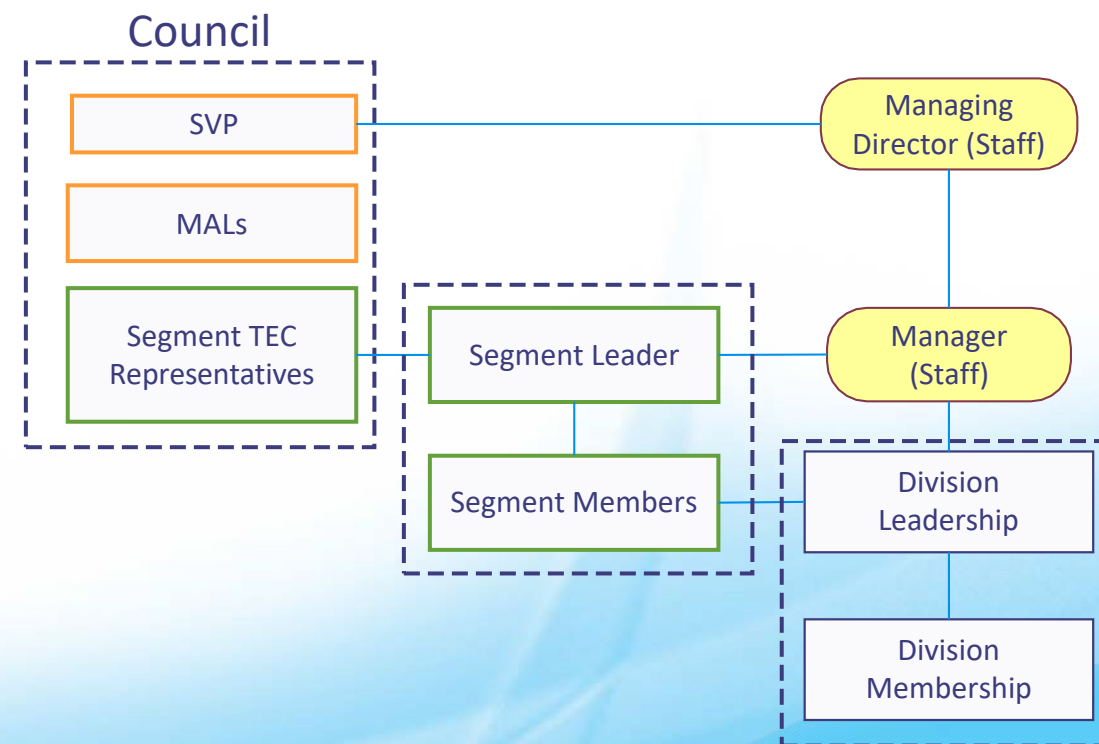


- Formalizes organically developed relationships between Segments and Divisions
- Enhances TEC level communication, support, and opportunity development
- Introduces new enterprise committee structure for incubating strategic technology initiatives



Responsibilities

- Segment Leader – focuses on execution of activities associated with the segment/group, assuring the group is actively engaged with divisions, is leveraging resources to expand and enhance product portfolio and is providing the best value to the membership.
- Segment Representative – supports strategy, engagement, and recognition functions of the TEC Council, while providing the pathway for communication for the organization.
- At-Large Members – provide leadership to address collective issues, identify new trends, provide cross-sector engagement, optimize common activities/investments, etc..
- SVP – provide overall leadership and direction to assure TEC is creating value for the organization and the membership while staying true to the ASME mission and executing on the BOG strategy.



Governance Improvements

- Empower MALs to take an active role in TEC governance and operations
 - Establish roles and responsibilities in 4 new areas, each assigned to a MAL
 - Community Engagement & Recognition (Richard Bunce)
 - Communications & Cross-Sector Engagement (John Blanton)
 - Content Distribution (TBD)
 - Conference Strategy & Planning (TBD)
 - Increase volunteer involvement through committee formation, as needed, to tackle key issues and initiatives that span across the Segments.
 - GLDC conference - collect feedback and work with staff to assure that TEC level input is provided.
 - Awards and recognition at the TEC level.
 - TEC Development fund -- management and capture of metrics; work with Segments.
 - TEC level adaptation of Segment grown initiatives.
 - Facilitate Cross-Sector engagement.
 - Facilitate sharing of knowledge on ASME staff driven initiatives, like the Industry Events, Marketing/Media Production, TAPS, IAB.
 - TEC Website and documentation management for communicating ideas and progress
- Encourage participation of TEC Reps alongside MALs to increase communication pathways to Segments.

Community Engagement & Recognition

- Division health prognosis and enhancement
 - Establish key metrics for wellness of leadership and structure; work across the segments to bring forth best practices; take lead on input for annual GLDC conference.
 - Generate common elements for governance and community engagement – guidelines for operation and continuous improvement.
 - Support Segment Leadership, as needed, regarding division reporting and administrative activities – provide additional level of support in resolving issues.
 - Facilitate cross-segment engagement and identify opportunities for increased volunteer involvement.
 - Provide strategic direction for segment/division/group alignment in support of ASME mission and goals.
- Recognition
 - Track awards at all levels to provide logistical assurance and assistance when needed, working with Segments.
 - Maintain list of volunteers with interest in serving on the Nominating Committee and provide initial recommendations on the next slate of candidates in coordination with Segment Leaders.
 - Provide strategic direction and work with interested parties to reshape or develop new awards.

Communications & Cross-Sector Engagement

- Communications
 - Administer all communication tasks for TEC Council
 - Information posting on asme.org website (other portals)
 - Provide guidance on information sharing logistics and format across TEC
 - Work with Segments/Divisions to generate and implement best practices for improving communication throughout the sector
- Cross-Sector Engagement
 - Facilitate cross-sector communication, information gathering, and partnering.
 - Take active role towards implementing common-core elements for all existing and future conferences, in partnership with Segments and Conference Strategy & Planning Committee.
 - Provide strategic direction to identify and implement new opportunities for cross-sector collaboration, both in common across the TEC sector and in discrete cases, that enhance the overall value proposition for ASME members.

Content Distribution

- Management and Packaging
 - Work with Segments to identify and manage sources of content for overall process improvement with regards to handling and packaging this content.
 - Work with the ASME Marketing and Media Production staff to facilitate best use of resources for maximum value creation at conferences and events.
 - Identify content that can be shared within the organization to increase the value proposition for the members.
 - Work with ASME Publishing to provide guidance on continuous improvement on format and quality of various forms of content.
- Strategy
 - Provide strategic direction to identify and implement new opportunities for distributing content both internally and externally.
 - Provide strategic direction on how best to leverage existing content to increase value proposition for membership and community as a whole.
 - Establish metrics for evaluation and continuous improvement.

Conference Strategy & Planning

- Planning
 - Work with Segments to identify and capture best practices to conference/event planning, organization and format that can be shared across the sector.
 - Provide an interface to the ASME Industry Event management group.
 - Support the adaptation of common core elements, and other initiatives, to the rest of the conferences.
- Strategy
 - Identify new elements that can improve conference overall value proposition and help implement working together with stakeholders.
 - Develop implementation strategy and keep track of performance metrics on new activities / elements introduced at conferences / events.

Strategic Technology Enterprises (STEs)

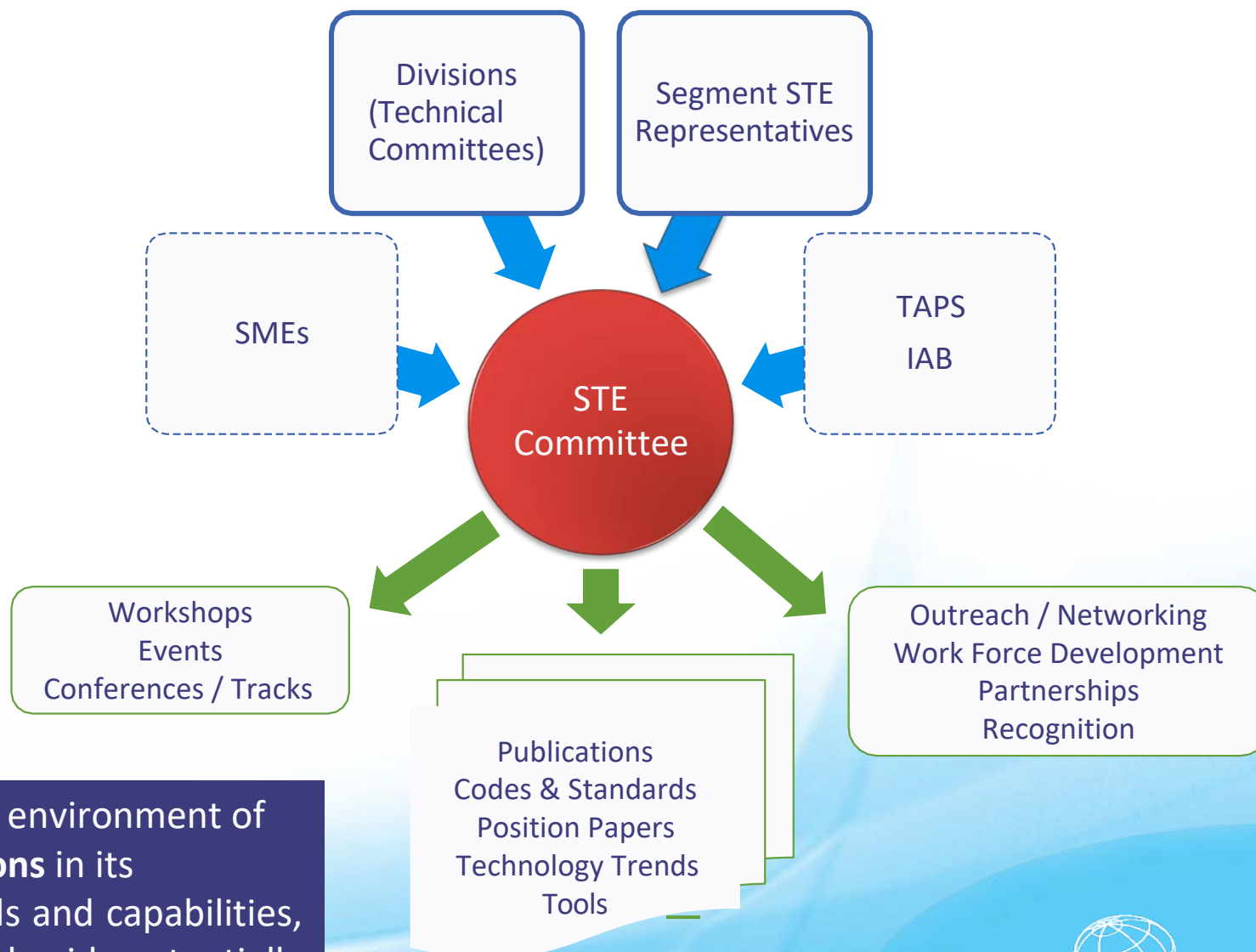
- Based on ASME’s strategic technologies, the Strategic Technology Enterprises of the TEC Sector shall be structured to offer cutting-edge insight that supports entrepreneurs, innovators and partners in pursuing new opportunities for growth and commercialization.
- They shall facilitate the sharing of ideas by engaging ASME members and staff in areas of specialization.
- They shall identify technical expertise, promote research collaboration, and foster business partnerships.



STE Model

STE Committee Makeup

- **Chair**, Reporting to TEC MAL
- **Division Members** from participating divisions (sponsored)
- **Segment Liaisons** from participating Segments (sponsored)
- **Subject Matter Experts (SMEs)**
- **TAPS Liaison / BD Director**



STE team will be responsible for providing an environment of **exploration** and application of new **innovations** in its domain. The team will equip ASME with tools and capabilities, build an **innovation program and culture**, and guide potentially **disruptive projects** beyond a 3-5 year time horizon

By-Law Recommended Changes

- Name change from Technical Events and Content to Technical and Engineering Communities
- Inclusion of Technical Divisions, Technical Chapters, and Research Committees within the TEC structure, reporting through the Segments.
- Enabling MALs to serve as chairs of TEC standing committees as outlined in the operating guide.

B5.5 TECHNICAL ~~AND ENGINEERING COMMUNITIES EVENTS AND CONTENT~~ SECTOR

- B5.5.1.1 The Technical ~~Events and Content~~ and Engineering Communities (TEC) Sector, under the direction of the Board of Governors, is responsible for activities of the Society relating to engaging individuals and groups in advancing engineering skill, art, science, knowledge and practice, and in planning, developing and delivering new technical content in the form of new products, services, networking opportunities, conferences, events and delivery mechanisms across ASME's ~~market segments~~ technical and engineering communities. The Technical Divisions, Technical Chapters, and Research Committees shall report to the TEC Sector Council through one of the Segment Leadership Teams that in-turn report to the Council. The Technical ~~Events and Content~~ and Engineering Communities Sector will maintain a current Sector Operation Guide containing operational details of the Sector not covered in these By-Laws.
- B5.5.1.2 The Technical ~~and Engineering Communities Events and Content~~ Sector shall be led by a Sector Council that consists of the following voting membership: a Senior Vice President (SVP) as Chair, the Segment Representatives representing each of the designated Sector ~~Market~~-Segments as outlined in the Sector Operation Guide, the Chair of the Technical Committee on Publications and Communications, and up to five members-at-large that may serve as chairs of TEC standing committees as outlined in the Sector Operating Guide. The non-voting membership of the Sector Operating Council shall include staff as appointed by the Executive Director.

By-Law Recommended Changes

- Name change from Technical Events and Content to Technical and Engineering Communities

- B5.5.1.3 The incoming Senior Vice President of the Technical ~~and Engineering Communities Events and Content~~ Sector shall be nominated by the Technical ~~and Engineering Communities Events and Content~~ Sector Council from among its past or present volunteer members for appointment by vote of the Board of Governors to a term of three years. In the event that a ~~past~~ TEC Sector Council member is not available, then the Sector Council will make a recommendation for a qualified candidate to the Board of Governors for consideration.
- B5.5.1.4 The Segment Representatives are nominated by the Segment Leadership Team Members within each defined Segment for an appointment by vote of the Technical ~~and Engineering Communities Events and Content~~ Sector Council to a term of up to three years. In all cases the appointment should best meet the qualifications for Segment and Sector Leadership and composition balance as outlined in the Sector Operations Guide.
- B5.5.1.5 The members-at-large shall be appointed by the Board of Governors as recommended by the Technical ~~and Engineering Communities Events and Content~~ Sector Council. The term of the members-at-large shall be up to three years.
- B5.5.1.6 The Technical Committee on Publications and Communications (TCPC) is responsible for publications of the Society, except that the Standards and Certification Sector shall be in charge of codes and standards. The Committee shall consist of a Chair and a membership as determined by the Technical ~~and Engineering Communities Events and Content~~ Council.



2019 Technical and Engineering Communities: Action Plan

November 10 Board Of Governors Meeting

What to Expect from Presentation

- **Brief Description** – This presentation will provide an opportunity to concur with Actions by the SVP, TEC
- **Desired Outcome** – This presentation is for Board Concurrence
- **Questions** – Please ask questions
- **Duration** – 15 Minutes have been allocated for the presentation and discussion

Deliverable ...

- A TEC Organization Recommendation that will:
 - Engage all Divisions in TEC to support the ASME Strategy and new technology
 - Create a Division agreed to structure that works for them
 - Enhance collaboration within TEC
 - Increase joint efforts to aid in process efficiencies
 - Provide agility and adaptability to ASME engagement
 - Place focus on technologies ... our fundamental cornerstone

Near Term Actions ...

- A facilitated “30 to 45-day period” with Division and Segment Leadership to adapt alignment and technical community engagement with a focus on ASME’s technology priorities.
- Summary Level Report to BOG on issues and progress
- A “30 to 45 day” period to socialize a path forward with volunteers and staff and integrate with other Staff Activities
- Socialization and adjustment at GLDC
- Summary Level Report to BOG on proposed New activities and increased participation within Existing technical activities,
- Preparations to create new Divisions/Groups: Wind, Robotics/AI, Renewable and Clean Energy and possibly 1 or 2 in GTS
- 60 to 90-day period for initial implementation
- Monthly progress reporting by SVP
- Active dialogue with volunteers as organization matures

Concurrence from Board of Governors ...

Thank you !



Board of Governors Agenda Item Cover Memo

Date Submitted:	October 14, 2019
BOG Meeting Date:	November 10, 2019
To:	Board of Governors
From:	Council on Standards and Certification
Presented by:	Sam Korellis and Claire Ramspeck
Agenda Title:	The Future of Standards and Certification

Agenda Item Executive Summary:

In order for Standards and Certification to continue their success, we need to build upon our strengths while recognizing the ever-changing market. This presentation will review our current standing and discuss our strategy moving forward.

Proposed motion for BOG Action: None – information only

Attachments: PowerPoint Presentation

The Future of Standards & Certification

Sam Korellis and Claire Ramspeck

**2019 Board of Governors Meeting
November 10, 2019**

What to Expect from Presentation

- **Brief Description** - This presentation will review the current status of Standards and Certification and discuss our strategy moving forward.
- **Desired Outcome** - To raise the BOG's awareness and knowledge
- **Questions** –Please ask questions during or after the presentation
- **Duration** – 30 minutes

ASME Standards and Certification

Standards

- First Standard Issued 1884
- Over 500 Standards
- 70 Consensus Committees
- 700 Subtier Groups under Consensus Committees
- 5 Supervisory Boards
- 5,800 Volunteers
 - Outside U.S. = 1200+ and growing
 - Manufacturers, Users, Government, Insurance, etc.
- 38 Standards Staff
- ASME Standards Accepted for Use in Over 100 Nations
- Administer Over 40 U.S. Technical Advisory Groups (TAGs) to ISO

Certification

- Oversees ASME's Conformity Assessment Certification and Accreditation Programs and Rigorous Protection of the ASME Single Certification Mark ("The Mark")
- Total ASME companies with Certificates of Authorization and Accreditation*:
 - Companies with ASME Certificates 7,198
 - Total ASME Certificates Issued 12,605
- Conformity Assessment manages
 - 36 CA Staff
 - 6 Product Certification programs
 - 2 Accreditation programs
 - 3 Personnel Certification programs
- Certifications
 - Average 140 Survey & Joint Reviews per month
 - 65 Jurisdictional / National Board Certificates
 - 57 % of Companies outside North America
 - 55 % of Certificates outside North America

Topics of ASME Codes and Standards



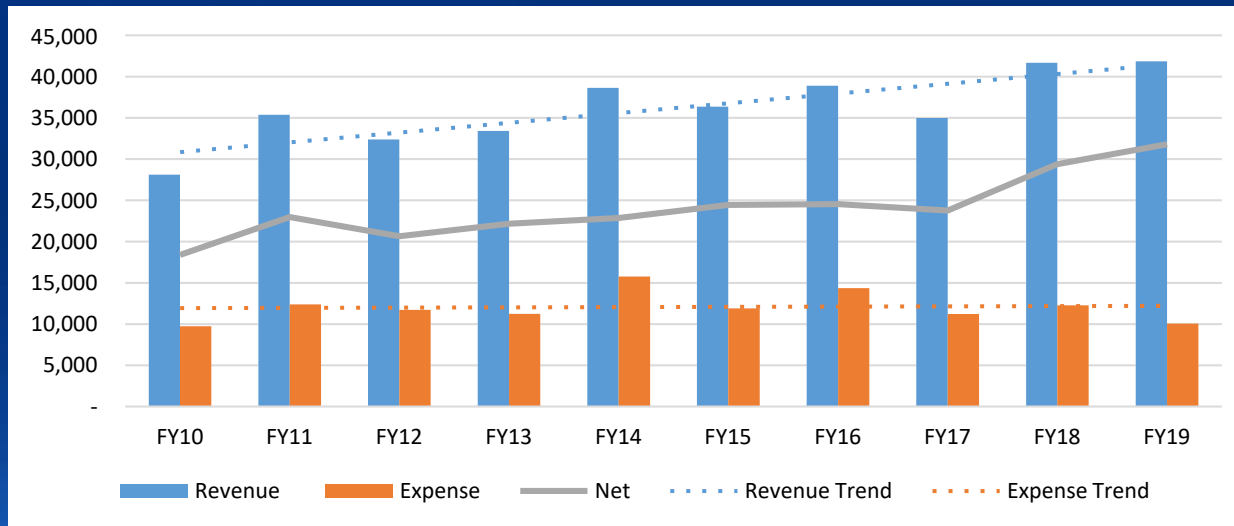
10 Year Standards Performance

(revenue)

Standards with S&C Ops Allocations

\$ in 000s

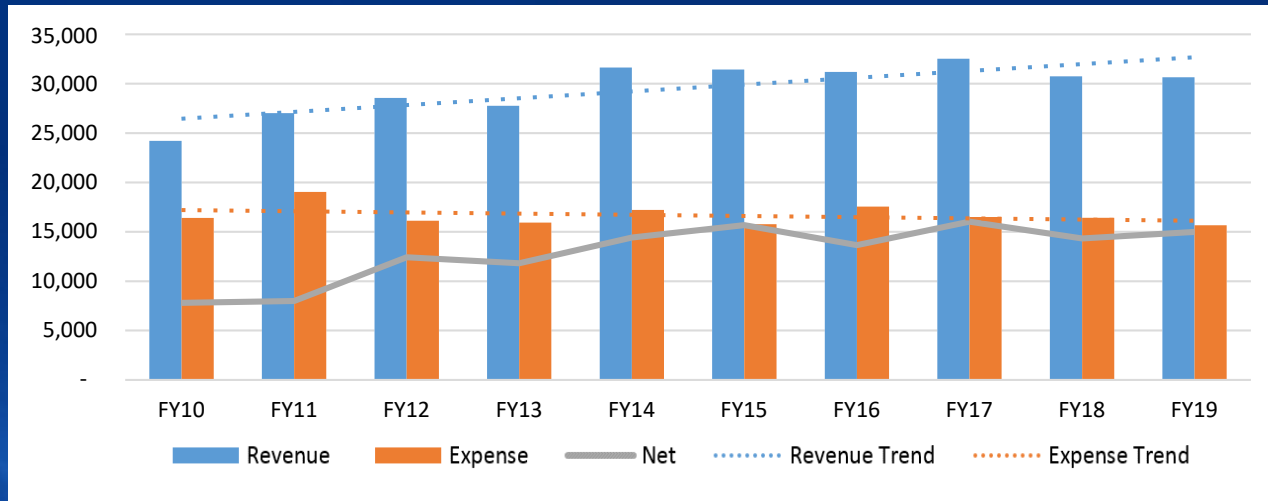
	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
Revenue	28,108	35,363	32,376	33,406	38,620	36,354	38,903	34,982	41,665	41,852
Expense	9,728	12,384	11,734	11,243	15,768	11,904	14,358	11,216	12,269	10,061
Net	18,380	22,980	20,642	22,164	22,852	24,449	24,545	23,766	29,396	31,791



10 Year Conformity Assessment Performance (revenue)

10 Year Historical Financials
Conformity Assessment with S&C Ops Allocations
\$ in 000s

	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
Revenue	24,212	27,024	28,549	27,754	31,640	31,438	31,202	32,521	30,744	30,650
Expense	16,409	19,038	16,130	15,940	17,717	15,770	17,546	16,493	16,416	15,652
Net	7,803	7,985	12,419	11,815	14,424	15,668	13,656	16,028	14,328	14,998



Headwinds

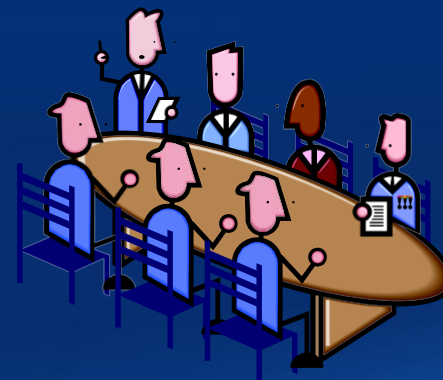
- Incorporation by Reference (IBR)
- Violations of intellectual property rights
- Significant percent of revenue from one product
- Industry softness (e.g., nuclear, oil and gas industry slump)
- Aging volunteer team
- Demand for products faster
- Competing and Pirated Standards

Path Forward



Current Actions

- New Product Development
 - Board on Strategic Initiatives (BSI)
 - Advises Council on strategic actions to secure future successes
 - Ongoing strategic actions within the other 4 supervisory boards
- Standards Triage
 - Maintain
 - Advance
 - Sunset
- Increasing non-US participation
- Increasing cross sector collaboration
 - E-Fests
 - Conferences



Current Actions

- Strong relationship with ANSI
- Re-negotiated third party distributors (resellers)
- Improved relationship with resellers
- Initiated discussions with major users (strategic outlook)

Future Expectations

Goal: Grow, strengthen and expand our reputation as the “go-to” organization for resources to solve technical problems and delivering advancements toward public safety.

Strategy: Grow existing products and retain existing customers, strengthen processing systems and operations, expand product offerings that include the development of product derivatives.

Metrics of success: Main 81% retention rate, increase number of product offerings, launch phase II expansion of CA Connect to include 30% more business processes handled manually, conduct product workshops and increase global accessibility of products

FY20 Initiatives

- Maintain 81% pressure equipment retention rate
- Conduct global C360 workshops for regulators, agencies and certificate holders and expand content to include Standards and Training product elements
- Launch Phase II of the CA Connect project to include 30% more business processes currently handled manually
- Establish a DTO for ANDE program in Europe.
- Establish an enhanced code verification program to include electronic copies and subscriptions
- Conduct required AIA & ASME Designee Training for the 2019 Edition of the BPV Code
- Successfully pass C3A2 Audit of all CA programs

1-3 Year Initiatives

- Continue outreach and education of regulators, agencies, certificate holders and end-users on the CA product line
- Global marketing of PRT product certification and BPV product certification derivatives
- Expand CA derivative product offerings
- Maintain 82% pressure equipment retention rate for the FY'21 Code Cycle
- Recognition and awareness of NQA-1 certification in Europe, the U.S. and India
- Launch ANDE BPV Personnel Certification line
- Establish an ASME CA/AIA certificate training partnership

3-10 Year Initiatives

- Research and development of a QA-1 standard and certification product
- Research and development of an advanced manufacturing certification product
- Maintain 83% pressure equipment retention rate for the FY'23 Code Cycle
- Development of B31.1 Product Certification
- Mobile access / paperless CA process
- Develop and establish a non-U.S. regional certification product
- Develop a Conformity Assessment program against a non-ASME standard

Goal: ASME is a pre-eminent source of technical and globally relevant standards which are recognized, accepted and used around the world

Strategy: Beginning with projects initiated in FY18, develop tools and refine processes to improve the time and resources to develop standards, maintain the integrity and reputation of ASME's current portfolio, and expand the scope and breadth of offerings

Metrics of success: Develop new standards in the five technology areas, grow international participation in standards development, expand the international use of standards, raise the number of committee members under age 50

F20 Initiatives

- Publish at least 10 new standards or standards related products directly related to one or more of the five technology areas
- Support major projects, including overhaul of C&S Connect and continued implementation of improved standards initiation and development process
- Provide standards-related input to other units' initiatives to ensure timely collaboration

1-3 Year Initiatives

- Launch or publish at least 18 new products directly related to one or more of the five technology areas
- Support completion of C&S Connect overhaul
- Implement standards development changes identified by project team focused on standards initiation and the development process

3-10 Year Initiatives

- Increase international participation in standards development and use
- Reduce non-value added layers and roles in the development process; focus efforts and engagement of volunteers on the development of content and implementation of standards
- Develop, maintain, and nurture the pipeline of new strategic ideas, and ensure effective implementation of those with the highest potential

Assistance and Support

- Communicate S&C actions to others inside and outside ASME
- Continue to facilitate cross sector collaboration
- Encourage corporate support of volunteer work
- Support S&C strategic planning activities



Q&A





Board of Governors Meeting Agenda Item Cover Memo

Date Submitted:	October 24, 2019
BOG Meeting Date:	November 10, 2019
To:	Board of Governors
From:	Tom Costabile and Laurel Raso
Presented by:	Tom Costabile and Laurel Raso
Agenda Title:	Update on Culture

Agenda Item Executive Summary:

This is an information item for the Board, to review and discuss the results of the 2019 staff culture survey and related action items.

Proposed motion for BOG Action: This is an information item for discussion.

Attachment(s): PowerPoint presentation

Update on Culture

Board of Governors
November 10, 2019
Salt Lake City, Utah

Tom Costabile
Executive Director/CEO

Laurel Raso
Chief Human Resources Officer

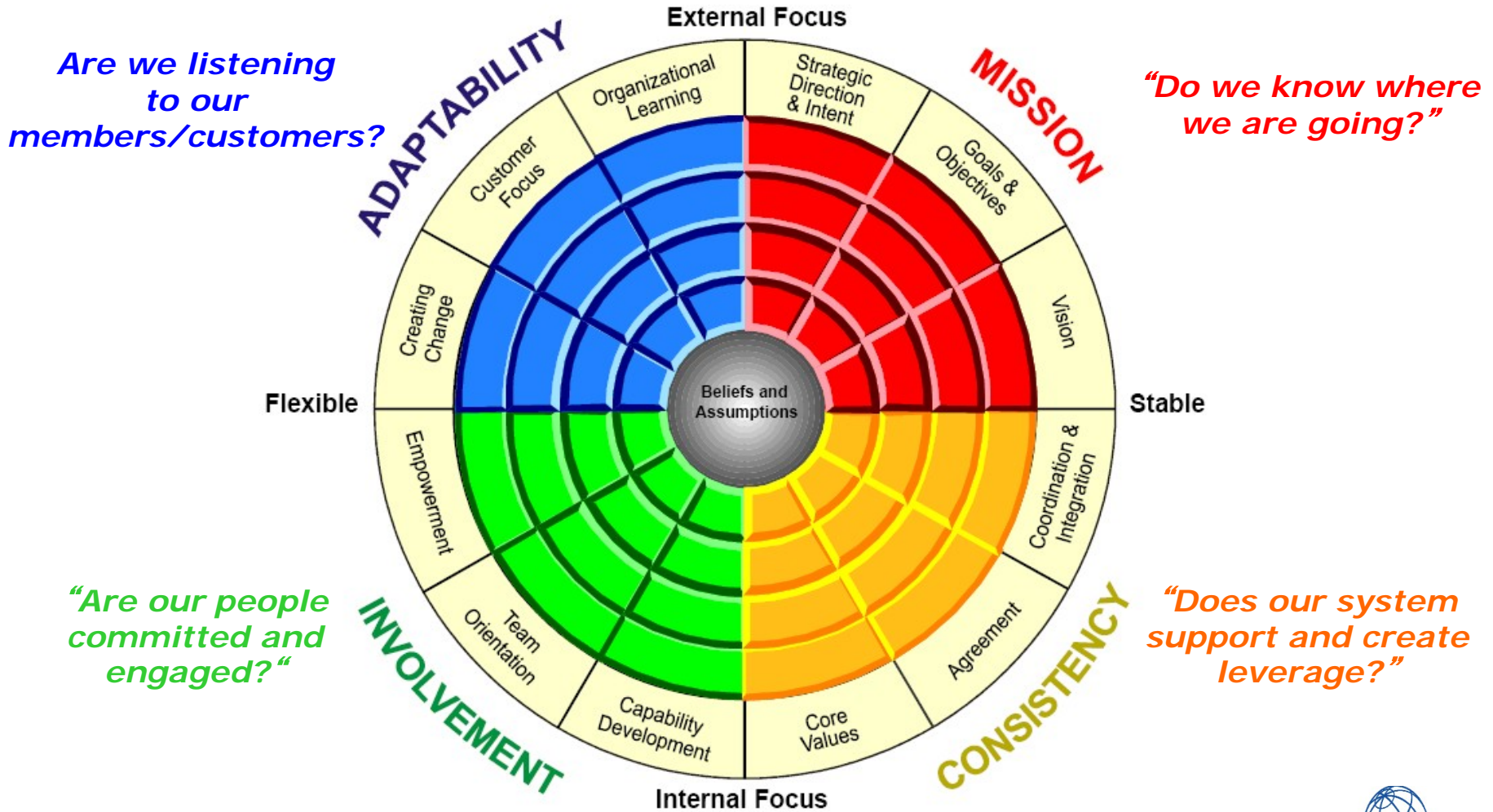
What we'd like to discuss

- Overview of 2019 Culture survey and comparison to 2017
- Actions we have taken thus far

The Denison Culture Survey

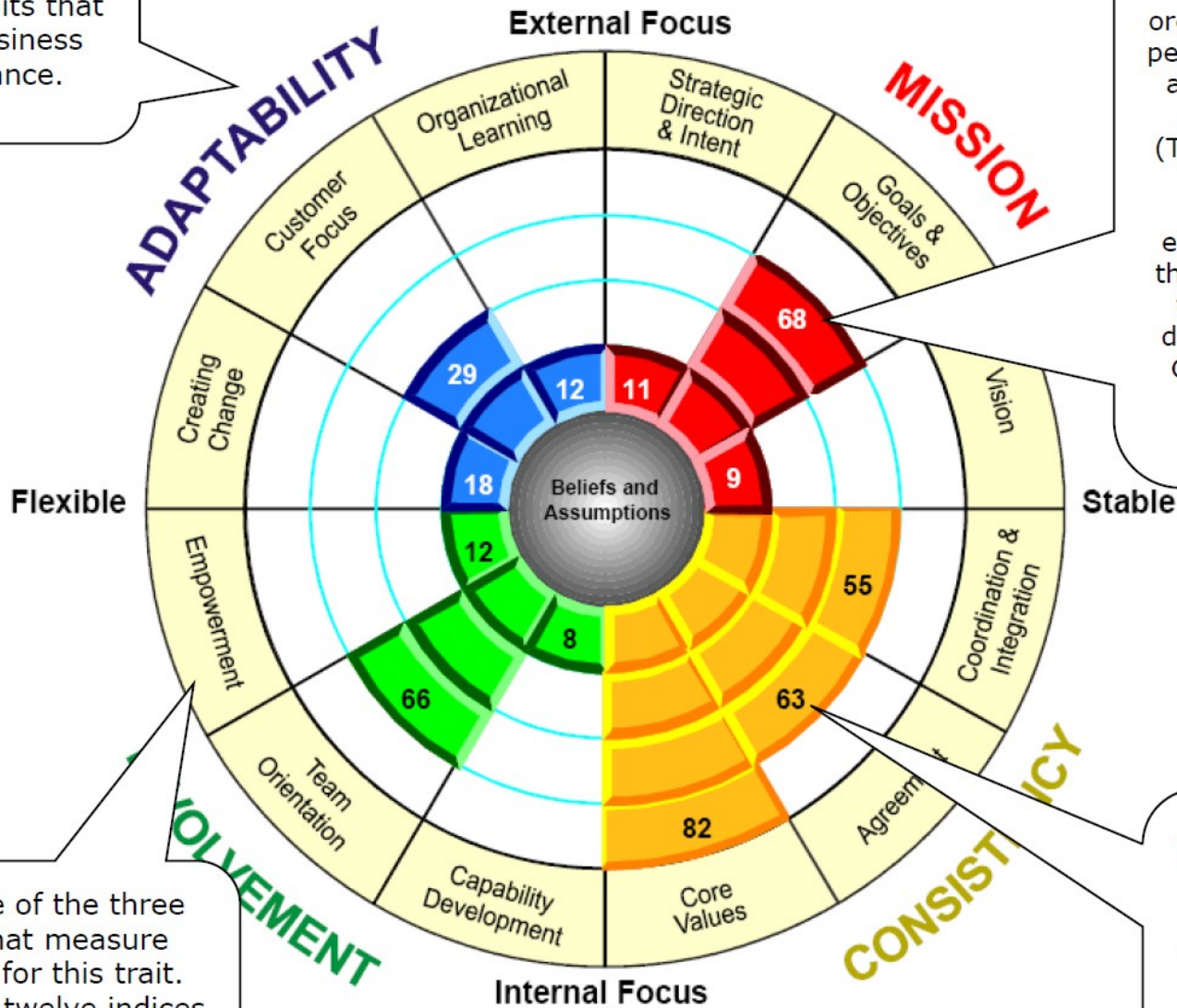
- Developed by Daniel Denison, PhD Organizational Psychology
- Utilized by thousands of companies over 25 years
- Links survey results to bottom-line performance (i.e. profitability, growth, innovation, employee and customer satisfaction)
- ASME worked with CCL (Center for Creative Leadership) and one of their PhD facilitators, to summarize the survey results and review with our staff leadership team

Overview of Denison Model



This is one of the four key traits that impact business performance.

This is a percentile score. A percentile is your organization's score as a percentage benchmarked against the average of other organizations. (This average is called a norm.) This organization, for example, scored better than 68 percent of all of the companies in the database in the area of Goals and Objectives.



This is one of the three indices that measure behaviors for this trait. Each of the twelve indices consists of five survey items.

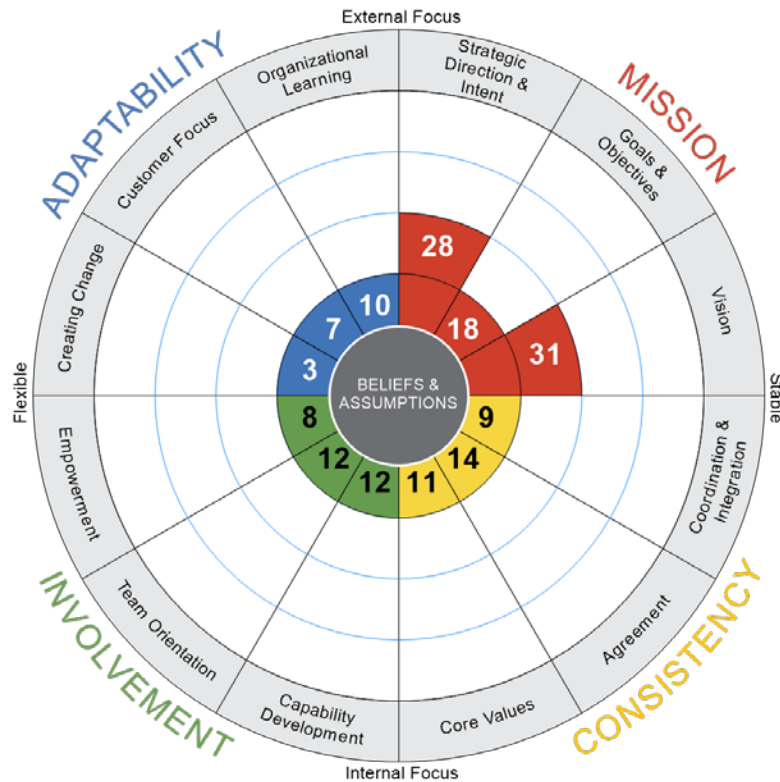
The profile is colored to show the quartile in which the percentile falls. This score, for example, falls in the third quartile.



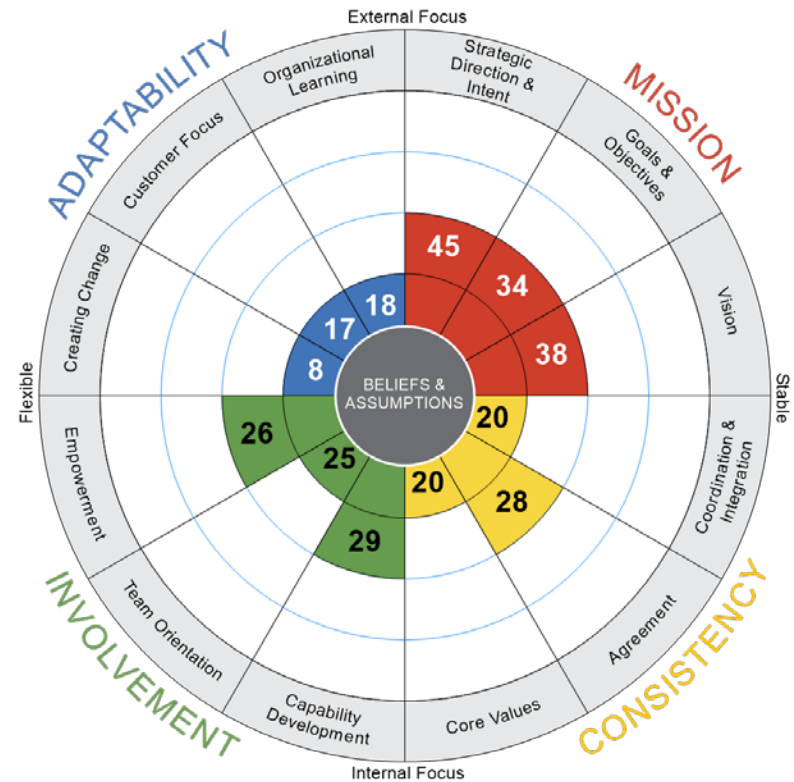
2017-19 Comparison: ASME - Overall

2017: ASME - Overall

2019: ASME - Overall



N = 278

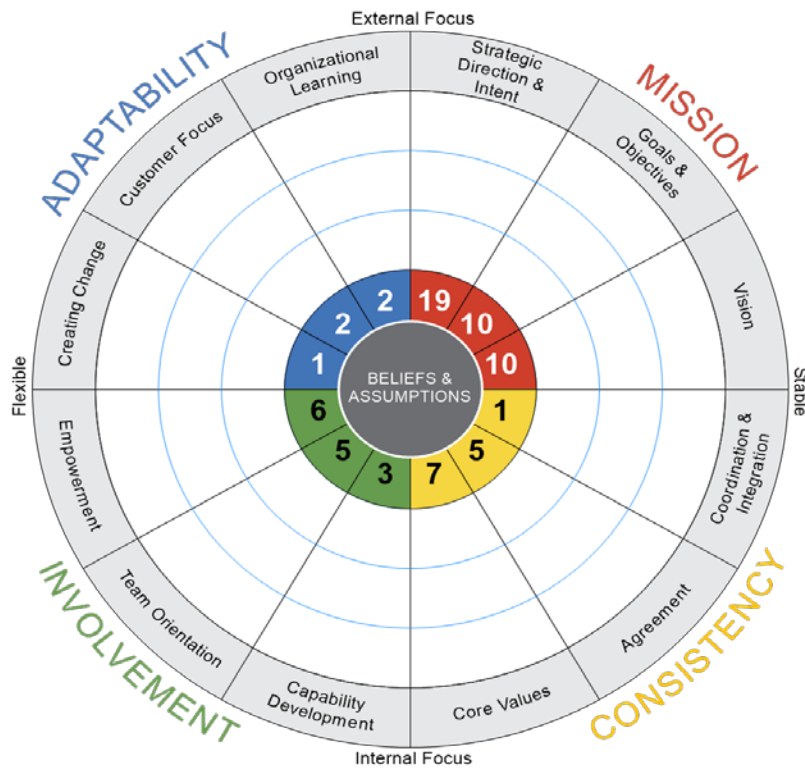


N = 292

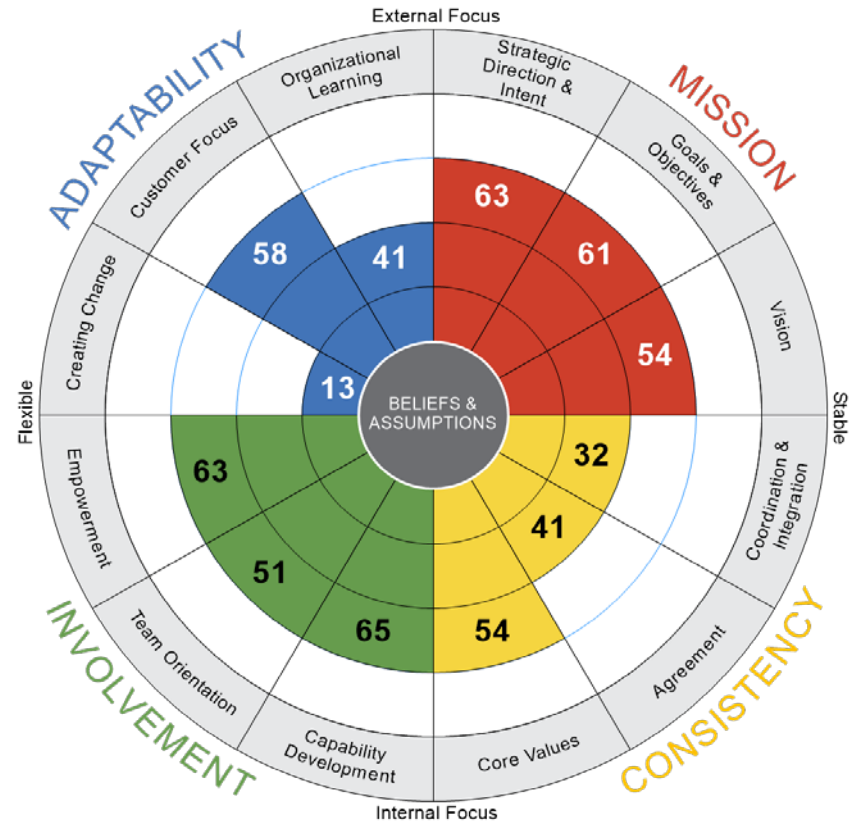
NUMBERS DENOTE PERCENTILES

2017 Director and above

2019 Director and above

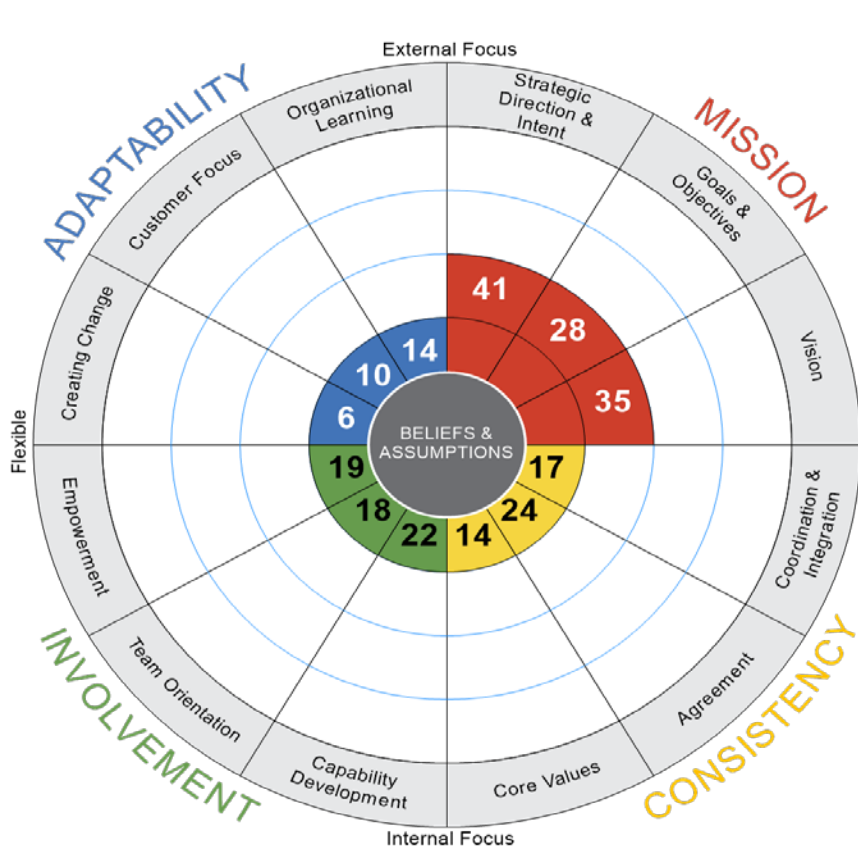


N = 52

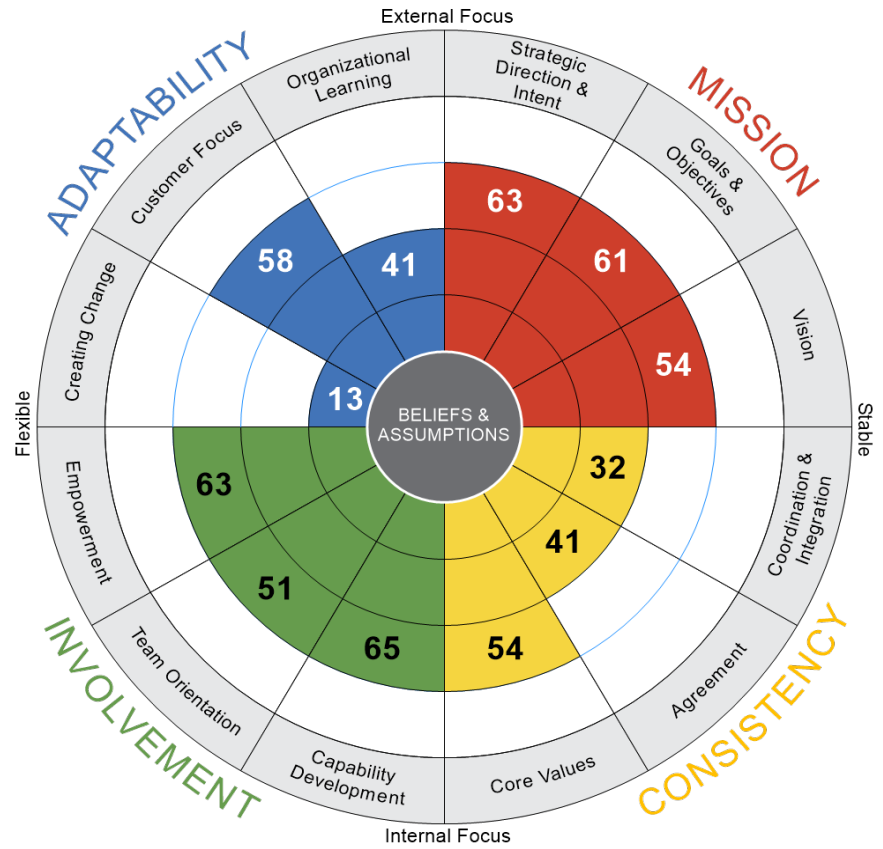


N = 60

2019: Below Director level

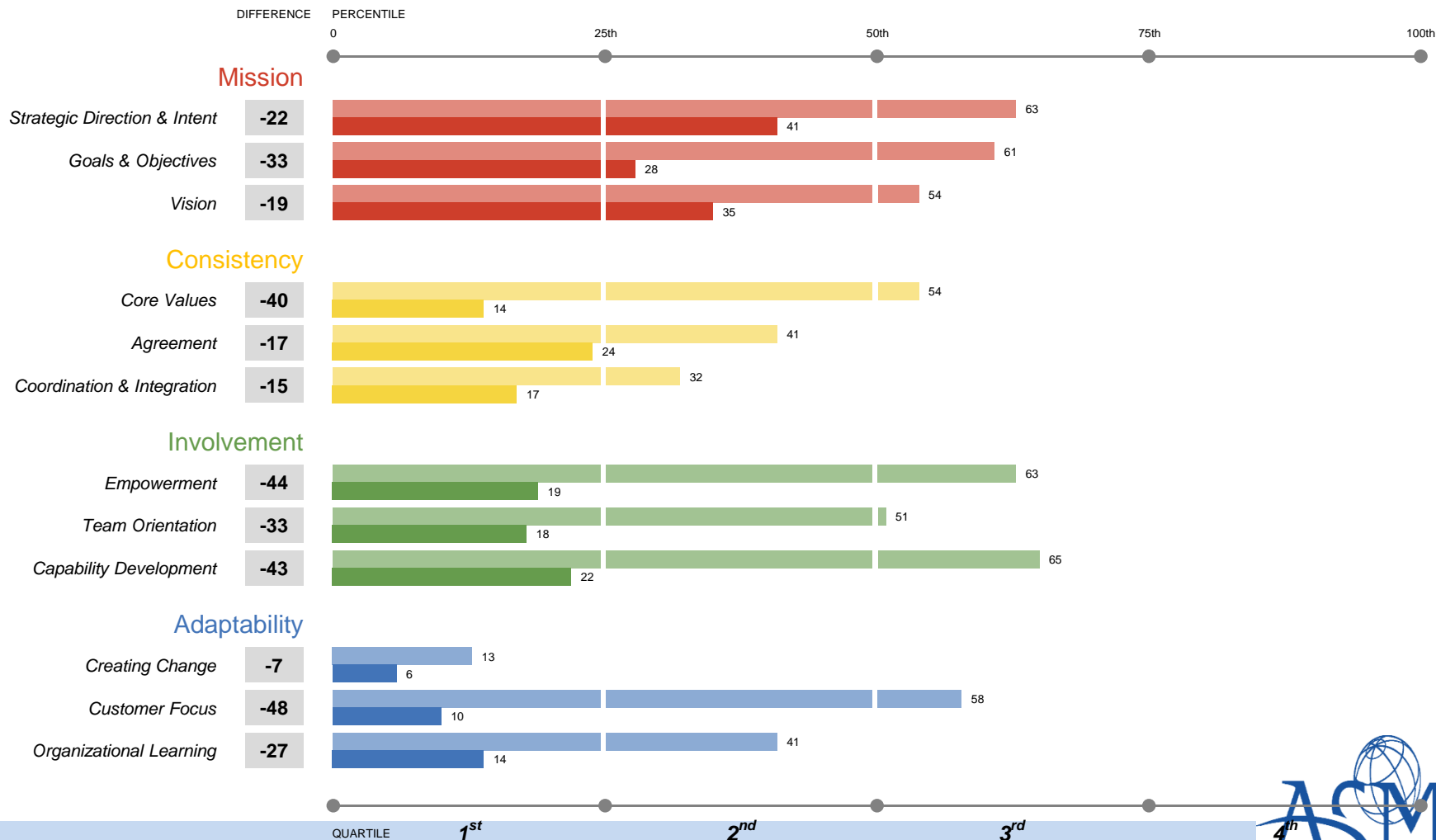
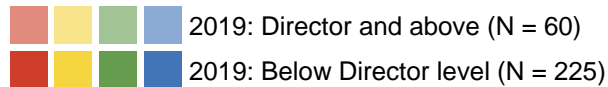


N = 225



N = 60

NUMBERS DENOTE PERCENTILES



What have we done in response to the 2019 survey to date:

- Launched a series of communications/discussions
 - Memo from ED/CEO to all staff
 - Meeting EMT, MDs, facilitated by CCL
 - Meeting with Directors
 - MDs with their teams
- Launched a series of workshops for our Directors, focused on:
 - Cascading their positive experience of the culture
 - Acknowledging good work
 - Engaging the team to solve big problems
 - Empowering staff to implement positive change
- Launched a series of workshops with our Managing Directors
 - To ignite the power of that cohort as a team
 - To reinforce culture work

What have we done in response to the 2019 survey to date:

- Continued our coaching and 360 feedback process for leaders:
 - 17 directors participating in 2019
 - 9 managing directors participating in 2019
- All leaders have an incentive objective for this fiscal year based on improving culture in their teams
- All staff have an opportunity to contribute to a culture improvement in their performance objectives for this fiscal year

What's next

- Lots of great ideas percolating through the organization – more to do
- General Themes:
 - Improve our leaders' ability to translate organizational activities for their teams
 - Improve our leaders' ability to provide clarity, direction, alignment for their teams
 - Improve engagement for our staff
 - Improve our communication
 - Continue to build on progress

Examples of initiatives in the pipeline or under consideration

- Implement change at the “local” level, based on unit-specific feedback
- Reboot our recognition program
- Launch new learning opportunities for staff below director level
- Find ways, especially in NY, for staff to make connections with each other
- Consider revising performance traits on performance review for alignment
- More to come...

Thank you for your time

Questions?



Board of Governors Meeting Agenda Item Cover Memo

Date Submitted:	October 10, 2019
BOG Meeting Date:	November 10, 2019
To:	Board of Governors
From:	Committee on Organization and Rules
Presented by:	Fred Stong
Agenda Title:	Strategy Advisory Committee

Agenda Item Executive Summary:

The composition and charge of the Strategy Advisory Committee, which is a Committee Reporting to the Board of Governors, is changing. The responsibilities of the Committee include:

- To ensure the long-term continuity of strategy and planning through successive Boards and provide oversight so that any proposed changes to strategy are properly vetted and approved by the Board.
- To review and provide feedback on strategy-related presentations and recommendations being presented to the Board; ensure all appropriate strategy issues are discussed by the Board.
- To ensure ongoing relevance, appropriateness, and achievability of the ASME strategic plan and provide the Board with timely recommendations.
- To provide input to staff and review recommendations related to proposed “deep dive” discussions, relevant speakers, and materials for the Board.
- To review and recommend funding strategies on strategic transactions (e.g. mergers and acquisitions, partnerships, alliances) and work with the Committee on Finance and Investment to ensure funding for priority strategic initiatives.

The Committee on Organization and Rules recognizes that this proposal shows the Executive Director will be a voting member of the SAC. The Committee understands that there are some associations that allow their Executive Directors to be a voting members on its units and others do not.

The Committee does not endorse this proposed change because this would set a precedent. In addition, the Committee is concerned about the influence the Executive Director would have on the SAC and that voting positions like these might form a chilling impact on committees getting member supported recommendations to the Board of Governors. The Committee defers the decision on whether the Executive Director should be a voting member to the Board of Governors.

To initiate the discussion, the following motion is proposed:

Proposed motion for BOG Action: To approve changes to B-5.2.6 for first reading.

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~~ advice, counsel, and oversight to the ASME staff strategy team.

B5.2.6.2 The Strategy Advisory Committee shall consist of the President, President Nominee/Elect, the Executive Director/CEO, two one current Board members-at-large (~~serving staggered terms, one second year and one third year~~ Governor), one representative from the Industry Advisory Board, and the ~~senior staff member responsible for~~ Chief Strategy Officer. The incoming ~~second~~third-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. At the discretion of the President, an additional member-at-large may be appointed for a one-year term by the Board of Governors. The Chief Strategy Officer shall be a non-voting member. The Committee shall select its own Chair.

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:	October 24, 2019
BOG Meeting Date:	November 10, 2019
To:	Board of Governors
From:	Nicole Kaufman Dyess and Jared Oehring
Presented by:	Nicole Kaufman Dyess and Jared Oehring
Agenda Title:	Changes to the ASME Officer Nomination and Selection Process

Agenda Item Executive Summary:

A presentation providing an overview of recommendations and an implementation timeline for proposed Constitutional and Bylaw amendments and an initial Operating Guide for the reformed Nominating Committee.

Proposed motion for BOG Action: None – discussion only

Attachment(s): PowerPoint Presentation

Changes to the ASME Officer Nomination and Selection Process: A Step Change for the Future of ASME

Nicole Kaufman Dyess and Jared Oehring

Recommendations from the leadership of the 2019 Nominating Committee
in consideration of findings from the recent Nomination Process Task Force



What to expect from this presentation

Brief description. This presentation gives an overview of our recommendations and implementation timeline. Previously circulated appendices contain:
(A) proposed Constitutional and Bylaw amendments and
(B) an initial Operating Guide for the reformed Nominating Committee

Desired outcome. Discussion on the proposed amendments and operating guide; adoption of the changes (first reading)

Questions. Please hold questions until after the presentation

Duration. 30 minutes for both presentation and discussion

The Nomination Process requires change to achieve the desired outcome of selecting highly qualified leaders

- Being selected as Governor means serving in a leadership position on the Board of a major not-for-profit organization—it is not a reward for years of dedicated service
- Committee member qualifications are not keeping pace with BOG expectations to select qualified leaders
- Current selection process does not make use of ASME data acquisition and management technology
- NC structure is cumbersome and outdated
- A more efficient application & meeting schedule will create better outcomes for all



Key recommendations that support ASME Strategic Objectives:

Phase 1: In process

Items within the NC's scope of control:

- Eliminate Support Speakers
- Implement a multi-stage interview process, including recorded Skype interviews
- Presidential & BOG Candidates invited to HQ for briefing
- Reduce Nomination Packet size
- Utilize instant runoff voting in Selection Meeting

Phase 2: Proposed

Items requiring additional time to implement or Constitution / Bylaw changes:

- Move Nomination Packet online
- Reduce NC size to 10 voting members & 5 alternates
- Empower BOG to select, & possibly reelect President
- Authorize PEDT to make day-to-day operational decisions
- Create option for BOG to recommend nominees who address strategic needs

Phase 3: Planned

Items requiring additional consideration:

- Changes to Society Officer Election Ballot process
- Allow Governors to serve a second term
- Make Executive Director a voting ex officio member of the BOG
- Change Executive Director to report to President as opposed to entire BOG



Phase 1: Changes already in process

The Nominating Committee Manual adopted on 24 October 2019:

- Eliminates Support Speakers
- Allows a multi-stage interview process
- Utilizes instant runoff voting in Selection Meeting

The NC also endorsed a new Candidate Application Process (calendar at right) and approved a shorter Nomination Packet.

DEADLINE	APPLICATION DELIVERABLE(S)
15 January 2020	<ul style="list-style-type: none">• Letter of Intent• Professional & ASME resumes• Release forms & certifications
1 February 2020	<ul style="list-style-type: none">• Employer letter of support
2 – 3 March 2020	<ul style="list-style-type: none">• Recorded Skype interview (30 minutes per Candidate)
15 April 2020	<ul style="list-style-type: none">• Candidate Application (two long-answer questions)• Letters of support• Background check form
6 May 2020 (Tentative)	<ul style="list-style-type: none">• Presidential & BOG candidates' briefing at ASME HQ in NYC
15 – 16 June 2020	<ul style="list-style-type: none">• In-person interviews



Phase 2: Changes requiring additional time

- Moving Nomination Packet to online format – Scheduled for IT development in 2020 in time for use in 2021 application process
- Items requiring Constitutional & Bylaw changes – Specific language previously provided in Appendix A and on following slides:
 - Reduce Nominating Committee size to 10 voting members & 5 alternates (2 VMs + 1 alternate per sector)
 - Change title of President to President & Chairperson to better reflect role
 - Empower BOG to select own President & Chairperson
 - Allow BOG to re-elect Chairperson, if needed (i.e., two-year term)
 - Form an Executive Committee of the BOG to handle day-to-day operational decisions
 - Create option for BOG to recommend nominees who address strategic needs



Reducing Nominating Committee to 10 voting members and 5 alternates (2 VMs + 1 alternate per sector)

Bylaw B4.2.2.1

B4.2.2.1 Election to the Nominating Committee takes place at a Business Meetings of the Society. At the second Business Meeting of the fiscal year, the President shall present the names of those recommended pursuant to By-Law B4.2.2.3, as applicable, for election to the Nominating Committee. In the event any vacancies occur following that meeting, the President may present the names of those recommended pursuant to By-Law B4.2.2.3, as applicable, for any Nominating Committee vacancies at the first Business Meeting of the new fiscal year. The ~~voting~~ members of the Nominating Committee shall be elected for ~~two years and alternates for one year~~ three years:

1. Non-voting alternate member who may deliberate, but not vote unless elevated by a vacancy.
2. Junior voting member who may deliberate and vote.
3. Senior voting member who may deliberate and vote

Elected ~~voting~~ members ~~and alternates~~ shall begin their terms at the close of the Business Meeting at which they are elected.

Terms of ~~voting~~ members ~~and alternates~~ will normally end at the close of the Nominating Committee Selection Meeting. However, if the work of a particular Nominating Committee is not finished by that time, terms of that committee will continue until the selection process for which that committee is responsible has been completed.

Reducing Nominating Committee to 10 voting members and 5 alternates (2 VMs + 1 alternate per sector)

Bylaw B4.2.2.2

B4.2.2.2 The Nominating Committee shall consist of ~~voting~~ members ~~and alternates~~ selected by each sector. ~~Each sector shall have three members: one alternate, one junior voting member, and one senior voting member. The TEC Sector shall have five voting members and five alternates selected by the TEC Sector Council. One voting member and one alternate for the TEC Sector shall be nominated by the Group Engagement Committee for as long as such Committee exists and reports to the Sector Management Committee. The S&C Sector shall have four voting members and three alternates selected by the Council on Standards and Certification. The PAO Sector shall have four voting members and three alternates selected by the PAO Sector Council. The SECD Sector shall have four voting members and three alternates selected by the SECD Sector Council.~~ Approximately one-third ~~half~~ of the ~~voting~~ members will have terms that expire annually. Nominations for open positions for ~~voting~~ members ~~and alternates~~ shall be made as provided in By-Law B4.2.2.3 and shall be voted upon at the Business Meetings as provided in By-Law B4.2.2.1.

Nominating Committee members ~~Voting members and alternates~~ shall be of the Member or Fellow grade and not currently serving in any elective office of the Society.

Reducing Nominating Committee to 10 voting members and 5 alternates (2 VMs + 1 alternate per sector)

Bylaw B4.2.3.1

B4.2.3.1 If a voting member is unable to serve, then the ~~alternate member for the sector will be elevated to voting member. alternate will be identified by the sector from its pool of alternates.~~ In the event that the alternate member is not available ~~no alternates are available~~ in a specific sector, ~~an alternate member from any sector may be elevated to voting member an alternate may be selected from another sector pool of alternates~~ in accordance with the Nominating Committee Manual, MM-10.

Change title of President to President & Chairperson to better reflect role

Constitution C4.1.1

C4.1.1 The affairs of the Society shall be managed by a Board of Governors chosen from its membership which shall have full control of the activities of the Society, subject to the limitations of the Constitution and By-Laws, Society Policies and the laws of the State of New York. The voting members of the Board of Governors shall consist of the President **and Chairperson of the Board (hereafter called President)**, the most recent available past President, nine members at-large ~~and including~~ the President elect ~~(if not currently a member at-large)~~.

The nine members at-large of the Board shall be elected from the corporate members of the Society of Member grade or higher. The term of each member-at-large shall be three years, with the term of three members-at-large beginning and ending during the second Business Meeting of the fiscal year of the Society at a time designated annually by the Board of Governors.

Members-at-large of the Board of Governors shall be limited to one full term of service. Additional service as a member-at-large may occur after an interruption of one or more years or as a consecutive partial term.

Empower BOG to select own President & Chairperson

Constitution C4.1.8

C4.1.8 The Board of Governors corporate membership of the Society shall elect annually a Nominating Committee whose duty shall be to select nominees for the positions of ~~President~~, at-large members of the Board of Governors ~~and vice-presidents~~ to be filled at each annual election.

The position of President and Chairperson of the Board shall be selected by the members of the Board of Governors from amongst themselves.

Allow BOG to re-elect Chairperson, if needed (i.e., two-year term)

Constitution C4.1.3

C4.1.3 The President shall be a corporate member of the Society who has reached at least the grade of Member. He or she shall be elected for a term of one year. The President may not serve more than ~~one term~~ **two terms consecutively** except if he or she is appointed to fill a vacancy.

Form an Executive Committee of the BOG authorized to handle day-to-day operational decisions

Bylaw 4.1.13 (New Bylaw)

An Executive Committee of the Board shall be established and authorized to address urgent and pressing business when it is not possible or practical for the entire Board to meet. The Executive Committee shall consist of the President, immediate Past-President, President-Elect, and Executive Director. The Executive Committee may accept deposits and make investments on behalf of the Board.

Create option for BOG to recommend nominees to the Board to address strategic needs

No Bylaw change needed

Bylaw B4.2.1. The Nominating Committee is charged with the responsibility of nominating members of experience, high standing, and active participation in the work of the Society to those offices specified in Article C4.1.8 of the Constitution. *These nominees may be selected from proposals by various units* or by individual members in the Society or from the Nominating Committee's own deliberations as it sees fit.

Changes to be implemented via the Nominating Committee Manual (Appendix B).

Create option for BOG to recommend nominees to the Board to address strategic needs

New Nominating Committee Manual

4.2.5. Application Process Exemptions

In certain rare instances, the Nominating Committee may vote to exempt certain Candidates from the typical Application Process and deadlines. Such situations include, but are not limited to, receiving a recommendation from the Board of Governors regarding a Candidate of particularly superb quality; and when the Nominating Committee decides to solicit additional Candidates for Office after the start of the Selection Meeting.

Exempting a Candidate from the typical Application Process shall require a simple majority of Voting Members present at a Committee Business Meeting.

Create option for BOG to recommend nominees to the Board to address strategic needs

New Nominating Committee Manual

4.3.4. Priority Consideration of BOG-Recommended Candidates

Should the Board of Governors (BOG) recommend a Candidate of extraordinary quality for the Nominating Committee's consideration, then the Nominating Committee shall hold a yes-or-no vote on the BOG-endorsed Candidate prior to any voting or balloting on the other Candidates.

Consensus shall be required to consider the position-vacancy filled by the BOG-endorsed Candidate.

Discussion



Board of Governors Meeting Agenda Item Cover Memo

Date Submitted:	10/24/2019
BOG Meeting Date:	11/10/2019
To:	Board of Governors
From:	Tom Costabile
Presented by:	Tom Costabile
Agenda Title:	FY20 ED/CEO Goals

Agenda Item Executive Summary:

An overview of the FY20 ED/CEO Goals will be presented. These goals have been approved by EDESC and are provided for the Board's review and consideration.

Proposed motion for BOG Action: **Approve the FY20 ED/CEO Goals.**

Attachment(s): One

FY20 ED/CEO
Annual Performance & Incentive Goals

EDESC

Board of Governors

Thomas Costabile
Executive Director/CEO

FY20 ED/CEO Annual Performance Goals

- Supported by EDESC and ED/CEO for BOG Approval
- General Construct:
 - Stated Goals are generally broad measures of desired outcomes; generally harder to measure
 - Stated Objectives are generally measurable and observable and reflect success in achieving the goal
 - Goals may be fairly consistent year to year, but stated objectives, or success metrics may vary
 - Progress reports begin with Q1 for FY20

FY20 ED/CEO Annual Performance Goals

	FY20 ED/CEO Performance Goals	Q1	Executive Commentary
#	On Track At Risk Off Track Complete		
1	Operational Excellence		
a	Complete IT transformation per FY20 IOP		Q1 - IT system transformation continues on plan as outlined in FY20 IOP and Operating Budget; New QA/Security requirements are being integrated into individual projects.
b	Continue to enhance enterprise wide IT systems		Q1 - New enterprise wide VPN implemented, replacement of desk and laptop computers continues as scheduled; testing of new telephone system underway.
2	Delivering on the Strategy		
a	Develop international strategy; Update current ASME strategy profile and documentation and include international profile		Q1 - Discussions with key stake holders continue based on preliminary work initiated in FY19. Chief Strategy Officer hired; beginning to develop frame work and identify additional staff requirements.
b	Develop international implementation plan by global regions, tied to the Strategic Technologies		Q1 - Start pending
3	Develop New Sources of Revenue		
a	Identify 1 to 3 new sources of revenue		Q1 - Currently evaluating 5 potential sources of new revenue as well additional industry events consistent with the strategic technologies.
b	Once agreed to by BOG, determine financial viability		Q1 - Start pending identification of new revenue sources.
			On Track At Risk Off Track Complete

FY20 ED/CEO Incentive Goals

- Supported by EDESC and ED/CEO for BOG Approval
- General Construct:
 - 40% of award based on achieving enterprise level financial sustainability goal
 - 60% of award based on delivering non-financial IOP-related or other goals (1-3 non-financial IOP-related/Unit/Individual impact goals)

FY20 ED/CEO Incentive Goals

#	FY20 ED/CEO Incentive Goals	Q1	Executive Commentary
			On Track At Risk Off Track Complete
1	Improve Philanthropy		
a	Complete new foundation structure		Q1 - A new foundation structure was developed, discussed, present to and approved by the BOG and the Foundation Board. Efforts are currently on going to finalize the legal structure.
b	Develop case statement based on input from potential donors		Q1 - A case statement was developed in FY19 and is currently being reviewed by selected stakeholders and potential donors (50 plus individuals) for feasibility and practicality.
c	Complete hiring of new staff		Q1 - Hiring of additional foundation staff is underway; Director of Development hired.
d	Secure new funds		Q1 - First major gift agreed to; scheduled to be completed in October, 2019; additional presentations and meetings are being scheduled.
2	Enhance Membership value		
a	Continue rollout new membership model per IOP		Q1 - Pilot programs for testing and evaluating the new membership model (developed in FY19), which is based on surveys conducted are under development as scheduled.
3	Strengthen Volunteer/Staff Partnership		
a	Improve communication between staff and volunteers for sections, student sections, sectors & divisions		Q1 - Continue to conduct meetings and presentations to sections and student sections in conjunction with new Director of Sections; hiring continues regarding additional staff required for coordination with sections.
b	Improve quality of meetings & conferences		Q1 - Review of meeting formats continues, currently focused on IAB, VOLT, DISC, IMECE and Code Week formats; Minor savings have been realized in Q1.
c	Complete Board approved restructuring of the volunteer organization		Q1 - Continue to work with PEDT and TEC SVP regarding Task Force recommendations; progress continues at a slow rate. Survey of technical divisions completed and a summary will be presented to BOG during November, 2019 meeting.

MOTION:

WHEREAS, the EDESC has reviewed and discussed the proposed FY20 ED/CEO Annual Performance Goals and Incentive Goals as presented at the EDESC meeting on October 18, 2019 (the “FY20 Performance & Incentive Goals”) and has determined that the adoption of these Performance & Incentive Goals would be in the best interests of ASME, it is hereby

RESOLVED, that the EDESC recommends to the Board of Governors that it adopt and approve the FY20 Performance & Incentive Goals.