

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

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

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

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

- B5.2.2 The following Standing Committees shall report to the BOG and shall be appointed by the Board of Governors or the President as determined in the By-Laws: Committee on Organization and Rules, Committee on Finance and Investment, Committee on Executive Director Evaluation and Staff Compensation, Committee on Governance, Committee on Honors, and the Committee of Past Presidents. Each Standing Committee shall maintain its own operation guide as prescribed by Society Policy.

- B5.2.3.1 The Committee on Organization and Rules, under the direction of the Board of Governors, shall ensure 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 consist of a Chair, a Vice Chair and a membership as determined by the Board of Governors.

- B5.2.4.1 The Committee on Finance and Investment, under the direction of the Board of Governors, shall supervise the financial and investment affairs of the Society, and shall support 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 consist of a Chair, a Vice Chair and a membership as determined by the Board of Governors.

The Treasurer shall be an ex officio member of the Committee with vote and a representative from the ASME Foundation shall be an ex officio member with vote only on items pertaining to investments. The Assistant Treasurer shall be an ex officio member of the Committee without vote.

- B5.2.4.3 The Audit Committee shall consist of: the Chair of the Committee on Finance and Investment; one additional member of the Committee on Finance and Investment, a Governor appointed by the President, the President nominee/elect and the Treasurer. The Executive Director and the Assistant Treasurer shall be ex officio members of the Committee without vote.

At the close of each fiscal year, the Audit Committee shall review with the external auditor the audited financial statements.

- B5.2.5.1 The Committee on Executive Director Evaluation and Staff Compensation, under the direction of the Board of Governors, has specific 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 evaluations of staff; 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.

- B5.2.5.2 The Committee shall consist of the President, the President-nominee/elect, the Immediate Past President, three current Board members at-large (serving staggered terms on the Board), and one member-at-large (who served on the Board of Governors or as a Past President of ASME). The President-nominee/elect and Immediate Past President are ex-officio members of the committee with vote. The President is an ex-officio member of the Committee, without vote. The Immediate Past-President shall be the Chair. Although the ASME Treasurer, the Executive Director and the Managing Director, Human Resources, are not members of the Committee, they will be available to the Committee for consultation as needed.

The term of each of the current Board members at-large expires when his/her Board term expires. The term of the at-large member is for one year, based on an appointment by the President, is not eligible for reappointment and ends at the close of the second society-wide meeting, on a schedule established by the Committee on Executive Director Evaluation and Staff Compensation.

- B5.2.6.1 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 five members: the Treasurer of ASME; the Assistant Treasurer, and three 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 a third consecutive full term, a member-at-large must be nominated by the Committee on Executive Director and Staff Compensation upon a finding by the Committee that specifies exceptional circumstances warranting the third consecutive term, 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.

- B5.2.7.1 The Committee on Governance (COG) under the direction of the Board of Governors, shall have the responsibility to identify and recommend appropriate training and orientation for members of the Board of Governors and to evaluate and recommend Board structures and processes that will encourage efficient and effective Board operation, governance, decision-making practices, and strategic management and planning.
- B5.2.7.2 The COG membership will consist of the Immediate Past President and three governors appointed by the President, one from each governor term. The Senior Governor will serve as the Chair.
- B5.2.8.1 The Committee on Honors, under the direction of the Board of Governors, shall recommend 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. The Committee on Honors shall consist of a Chair and Vice Chair and a membership as determined by the Board of Governors. The Chair of the General Awards Committee shall be an ex officio member with vote.
- B5.2.8.2 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 division 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.

- B5.2.8.3 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.
- B5.2.9.1 The Committee of Past Presidents, under the direction of the Board of Governors, shall elect Fellows, oversee the ethical practice of engineering, and provide guidance on matters where its experience may be useful, upon request by the President, Board of Governors, and other units of the Society.

The Committee shall consist of all living Past Presidents. The Officers of the Committee shall be the Chair, the Vice Chair, and the Secretary.