

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 Member Development and Engagement Sector, 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: Executive Committee, Committee on Organization and Rules, Committee on Finance, Audit Committee, Committee on Executive Director Evaluation and Staff Compensation, Committee on Honors, Committee of Past Presidents, Sector Management Committee, 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.

B5.2.3.1 The Executive Committee shall act on behalf of the Board of Governors between Board of Governors meetings, its authority limited to those matters specifically provided for in these By-Laws and specifically delegated to it, consistent with applicable law, by the Board of Governors from time to time. All such actions shall be ratified by the Board of Governors at its next scheduled meeting. The Executive Committee shall have responsibility to accept grants, gifts or bequests in accordance with By-Law B4.4.4. The Executive Committee shall meet from time to time as deemed necessary by the Committee.

B5.2.3.2 The President will serve as Chair of the Executive Committee. The Immediate Past President, President-Elect and one third-year Governor, who is selected by closed written ballot by the Board of Governors at the Board's first meeting of the fiscal year, shall constitute the remaining voting members of the Executive Committee. If a round of closed written balloting shall fail to produce a majority vote of those present and constituting a quorum in support of a third-year Governor, the lowest vote-getter shall

be removed from the ballot for one or more subsequent rounds of closed written balloting until a single candidate shall receive a majority vote of those present and constituting a quorum. If a round of closed written balloting shall produce a tie, the tie shall be broken by a drawing of straws by the tied candidates, and the candidate who draws the shorter or shortest straw shall be removed from the ballot for one or more subsequent rounds of closed written balloting until a single candidate shall receive a majority vote of those present and constituting a quorum. The President-Nominee (until such time as he or she becomes President-Elect) and the Executive Director are non-voting members of the Executive Committee.

- B5.2.4.1 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.
- B5.2.4.2 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.
- B5.2.5.1 The Committee on Finance, under the direction of the Board of Governors, shall have responsibility for supervising the financial affairs of the Society and supporting the Board and its committees by conducting an annual review of the Society's budgets.
- B5.2.5.2 The Committee on Finance 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.

- B5.2.6.1 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.

- B5.2.6.2 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.

- B5.2.6.3 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.

- B5.2.6.4 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.

B5.2.7.1 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 Ethics Committee makes a finding that results in the 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 B5.2.7.2 (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 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.

B5.2.10.2 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.

B5.2.11.1 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.

B5.2.11.2 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.

- B5.2.12.1 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.
- B5.2.12.2 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.
- B5.2.13.1 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.
- B5.2.13.2 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.