



## **The American Institute of Mining, Metallurgical, and Petroleum Engineers, Inc. Report of the 2000 President Robert E. Murray**

The year 2000 marked AIME's 129th anniversary; it was also a year marked by significant accomplishments. Most significant was the implementation of the new Long Range Plan, which was approved in 1999. We also took positive steps, using the new governance structures provided in the Long Range Plan, to search for and engage new investment advisors in the form of a Chief Investment Officer.

With the new AIME Executive Director in place at the start of 2000, the Institute was able to fill the two open staff positions with permanent employees. I know that I echo the sentiment of the entire **Board of Trustees** when I tell you that we are pleased, not only with these fine people themselves, but with their immediate contributions to AIME.

I am pleased to report to the AIME community on the significant progress made in these areas and on other pertinent developments.

### **2000 Annual Meeting**

AIME celebrated its 129th year with **The Minerals, Metals & Materials Society (TMS)** at their Annual Meeting at Opryland in Nashville, Tennessee, on March 13, 2000. The AIME and TMS banquets and awards ceremonies were combined into a single all-inclusive and impressive event.

An account of the 129th annual meeting and the awards ceremony may be found on page 8 [of the AIME Annual Report], followed by the names of the various award winners. I wish to thank both the TMS and AIME staffs for organizing this event and to express my appreciation to TMS leadership for creating such an inviting host environment.

The 2001 Annual Meeting will be in Denver, Colorado. On Monday, February 26, 2001, I will hand over the gavel to Grant P. Schneider of ISS.

## Government Affairs through AAES

AIME government affairs activities continued during 2000 through the **American Association of Engineering Societies (AAES)**, located in Washington, DC. These efforts involved several volunteers, each representing a member society, and AIME and TMS staff serving on various AAES councils, commissions and task forces. The AAES Board of Governors continues its focus and limited resources on the engineers' public policy activity and a program of public awareness of engineers and engineering that fits with AIME's initiative to Enhance the Image of Engineers. AIME, the Member Societies and AIME, through its United Engineering Foundation activities, have supported these efforts.

I applaud the AAES activities and was pleased to accept their request to be a member the AAES nominating committee for 2002. The AIME Executive Director remains on the AAES Executive Committee and continues as the chair of the By-Law committee. Our thanks to Paul Campbell, 1999 AIME President, who served on the AAES 2001 nominating committee. We will continue to maintain a close connection to this organization whose purpose is to serve us in the Nation's capitol.

## Overarching and Member-Direct Programs

Overarching and Member Direct programs were added to the AIME lexicon in 1994. Overarching programs are defined as those that carry out the purposes of the Institute and may include participation by one or more of the member societies; member-direct programs are those carried out by the Member Societies. Approval of specific programs is limited to those that clearly carry out the purpose of AIME, as described in its bylaws (Article I, Section 2). The selection of specific projects and the balancing of programs is the responsibility of the Board of Trustees.

Since the inception of these programs, AIME has committed \$5,112,302, of which \$394,700 was for overarching programs, and the balance for member direct. Of the \$4,717,602 for member direct, **SME** received \$1,051,646, **TMS** \$910,443, ISS \$797,761 and **SPE** received \$1,957,752.

A new and very exciting overarching program, one that I am personally overseeing and which we call Outreach Initiative #1 or Career Development, is being assessed right now. Some of you may have participated in this initiative by filling in a questionnaire from The Gallup Organization; the introduction read: "For a successful career, your current management and the marketplace require that you are technically proficient and have also developed a business sense. In this regard, AIME and its **Member Societies** are interested in helping you achieve your full career and personal growth potential by pursuing the possibility of offering a series of short courses in

the areas of Leadership Growth, Financial Acumen, Business Operations, and Personal Enrichment. Where applicable, the design of the courses will be industry specific. The results of this survey were very positive and when presented to the AIME **Board of Trustees**, it was determined to take the next step and work to develop the initial courses to be made available to the membership of the member societies. I see this initiative as AIME reaching out directly to each of you, the membership.

## **Sale of the United Engineering Center**

The sale of the United Engineering Center, a building owned by the United Engineering Trustees, AIME, **ASME** (American Society of Mechanical Engineers), **ASCE** (American Society of Civil Engineers), **AIChE** (American Institute of Chemical Engineers), and **IEEE** (Institute of Electrical and Electronic Engineers), and AIME's move with the other four "Founder Societies" to a commercial building in New York City has been reported to you earlier. In anticipation of the sale, the AIME Board of Trustees voted that the four AIME Member Societies would share in the proceeds from the sale for projects and activities that uphold the mission of AIME which is "...[a corporation] organized and operated exclusively to advance, record and disseminate significant knowledge of engineering and the arts and sciences involved in the production and use of minerals, metals, energy sources and materials for the benefit of humankind, both directly as AIME and through the **Member Societies**." In September of 2000 the final distribution was made, and **SME** received a total of \$2,048,740.94 as its portion of the proceeds, **TMS** received \$1,555,678.44, ISS \$1,552,857.75 and **SPE** \$3,296,289.76. Additional reference is made to this distribution in the Financial Statements and Notes of the Auditors.

## **Finance**

You are invited to review the audited financial statement for the AIME Corporation for fiscal year 2000 (ending November 30, 2000) starting on page 15 of this report. This is the second year the audit firm selected in 1999 audited the AIME Corporation and the combined savings plan for AIME and the member societies. We think you will find this financial report even easier to read than it was last year.

AIME assets decreased \$5.2 million from the end of fiscal year 1999 to \$12.2 million at the end of fiscal year 2000. However, the 1999 figure included \$2.8 million in undistributed funds from the proceeds from the sale of the UEC; in 2000 all of those funds were distributed to the member societies.

During 2000 AIME continued to look at the most cost effective and efficient ways to handle its financial functions. I am pleased to report the 2001 budget for outside financial services is one-half of the 1999 amount.

## Inter-Society Affairs

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### United Engineering Foundation (UEF)

I am pleased to report that AIME continues its effective involvement in the governing of the **UEF**. As the terms of present trustees expire, effective with the 2000 UEF Board, AIME and the other Founder Societies will be represented by their executive directors; by 2002 both their presidents and executive directors will represent them. John Hammes, AIME Vice President-Finance, was the 2000 UEF President and has been reelected for 2001.

### Founder Societies

I am pleased to report our continued effective interactions with the **Founder Society** officers and executive directors in matters of common interest. This interaction has provided the president-elect, the executive director and me with an important opportunity to become cognizant of the broad spectrum of issues affecting the engineering profession. One of the ways we worked together in 2000 was to approve a United Engineering Foundation grant to AES for newspaper ads directed toward enhancing the public's awareness of engineers.

### ABET

The Institute also retained its relationship with the **Accreditation Board for Engineering and Technology** (ABET), as an affiliate body, and is represented by its Executive Director who serves as an official observer at ABET board meetings. ABET is revising its own governance, and it is anticipated the affiliate bodies, which already "sit at the table," will soon have an official vote.

### In Appreciation

It has been an honor for me to serve as your AIME president, to have had the opportunity to associate with and be assisted by the many fine people who comprise the AIME family, and to have the privilege of representing AIME on many auspicious occasions. I reflect with great gratitude and affection on my visits to the local sections and on the opportunity to strengthen AIME's ties with its **Member Societies** and with the other **Founder Societies**.

I appreciate the cooperation of the **Board of Trustees** of AIME. I also extend my sincere appreciation to the Member Societies' boards of directors and executive directors, the staffs of AIME and the member societies, committee

members and others for their dedicated support during the past year. During the past year I had the one opportunity to visit the new AIME headquarters in New York City, and I encourage all of you to stop by and "look us over." I also congratulate and pledge my full support to 2001 President Grant P. Schneider and the new Board of Trustees, all of whom are depicted in the AIME Annual Report.

***Robert E. Murray***