

THE ASME  
FOUNDATION

ANNUAL REPORT  
2005-2006



# THE ASME FOUNDATION 2005-2006

With notable support from ASME members, The ASME Foundation played a key role in furthering the goals of the mechanical engineering community. In 2005-2006, The ASME Foundation awarded scholarships, provided grants for education and engineering advocacy, and supported honors and awards recognizing outstanding service and achievement. K. Keith Roe chaired The ASME Foundation, providing excellent leadership.

Among numerous activities and programs carried out in the 2006 fiscal year, The ASME Foundation adopted a three-year development plan, which will guide the Foundation's growth through 2009. The five areas of focus in the plan are planned giving services, an annual appeal, endowment and Fund development, administering The ASME Foundation Grant Program, and a targeted fundraising effort to create longer-term support for the ASME Federal Government Fellowship Program. To help achieve this ambitious plan, the Foundation committed financial support to fund the Foundation Development Office with its first full-time director of Development.

The Foundation completed the third year of its Planned Giving Initiative, welcoming five members into the Archimedes Club, which now contains a total of 46 members.

The annual appeal raised \$43,180 from 228 donors, including an employer-based matching gift for volunteer service from ExxonMobil Foundation and anonymous donations of \$245 made through Network for Good. This year the appeal was expanded to include a solicitation of lapsed donors who had not made a recent gift to the Foundation. The solicitation drew further donations allowing The ASME Foundation to fund one additional scholarship.

Lynden F. Davis completed a generous pledge which the Foundation will use to enhance the ASME Student Section Advisor Award. This gift expands an existing endowment to provide additional recognition for outstanding ASME student section advisors.

The estate of longtime ASME member Harvey A. Wagner included a generous bequest, which will be used to establish a fund for the ASME Old Guard. The Foundation works with the Old Guard to enhance its fundraising efforts, including offering Old Guard donors the convenience of making on-line contributions using the Foundation's website.

## Planned Giving

In FY06, the Planned Giving Initiative continued its steady growth. The Archimedes Club, the Foundation's Planned Giving recognition group, held special events in San Francisco and Orlando to honor members as well as build awareness among potential donors. During 2005-2006, thoughtful donors arranged two unique planned gift vehicles – prepaid life insurance policies and Charitable Remainder Annuity Trusts. By using the Foundation's planned gift program, far-sighted supporters of The ASME Foundation have cemented their plans to leave a legacy of support for mechanical engineering for years into the future. To date, more than \$3 million in planned gifts has been pledged or realized by The ASME Foundation.

The Foundation provides the expertise to help individuals and their advisors take advantage of the benefits of planned



*The ASME Foundation is proud to support FIRST by collaborating with the ASME Auxiliary in awarding \$50,000 in scholarships to high school seniors who excel in their participation on a FIRST team.*

giving. Going forward, seminars on estate planning will be held in conjunction with ASME meetings, so more members can learn about the various aspects of planned giving. As the Planned Giving Program grows and matures, the benefits to donors and the profession will become increasingly apparent and significant.

The ASME Foundation gratefully acknowledges the dedication and service of the Planned Giving Advisory Committee members John Mihm, Lynden Davis, Joseph Falcon, Duane Jordan, Caecila Gotama and Allen Rhodes.

### Grants

Four Foundation grants totaling \$230,000 were awarded for 2006. These awards were created from capital campaign contributions and also from the Orr Fund, established in the memory of valued ASME member Leighton Orr.

Programs funded included the Federal Government Fellowship Program, Industry-Focused Engineering Student and Early Career Engineer Development Program, Product and Marketing Enhancement of the ASME Professional Practice Curriculum, and Support of Engineering Faculty Development Workshop.

A special grant from the ASME Development Fund to launch a campaign for developing longer-term support of ASME Federal Government fellows was awarded to the Foundation at the end of FY06. This will cover the expenses of a three-year fundraising campaign to be launched in FY07 to raise operational and endowment funding for this program.

### Scholarships and Loans

The Foundation awarded a total of \$200,500 in undergraduate and graduate scholarships in 2005-2006. The funds came from the Foundation's scholarship program and the Clarke Scholarship Fund, which is given jointly with the ASME Auxiliary. For the fifth year, the Bruce J. Heim Foundation provided a \$1,500 scholarship for a graduate student whose work furthers space exploration. The family of Frank and Faye Masino awarded the third of five scholarships in



*Honorees at the 2005 Honors Assembly, with William W. Durgin, 2005 chair of the ASME Committee on Honors (back row, third from left); Virgil R. Carter, ASME executive director (back row, fourth from left), and Richard E. Feigel, ASME president (seated, third from right).*

their honor that provides \$10,000 in awards for five years. The first scholarship from the newly funded Power Division Scholarship was awarded in the amount of \$2,500.

William Adams supplemented the Named Living Endowment that he and his wife created with an additional gift and increased the size of the scholarship to \$2,500 annually.

### Honors and Awards

The Foundation funded the ASME Honors and Awards program, which provides recognition for service and achievement in specific areas of mechanical engineering. A highlight of the Honors and Awards program was the Honors Assembly at the 2005 ASME International Mechanical Engineering Congress in Orlando, Fla.

### Board Members

Susan H. Skemp and P.J. "Jim" Adam Jr. completed terms as members of the Board of Directors in 2006. The board is pleased to welcome Ward O. Winer as a new director for 2006-2009.

# SCHOLARSHIPS

## **The Kenneth Andrew Roe Scholarship**

*1 award at \$10,000*

Melissa Bollbach, Virginia Commonwealth University

## **The Melvin R. Green Scholarship**

*2 awards at \$3,500 each*

Samantha Rawlings, University of Hartford  
David Muecke, University of Denver

## **The Garland Duncan Scholarship**

*2 awards at \$3,500 each*

Adam Madlinger, Massachusetts Institute of Technology  
Eric Clifft, Rose-Hulman Institute of Technology

## **The American Electric Power Scholarship**

*1 award at \$2,500*

Amul Sathe, University of Michigan, Ann Arbor

## **The William J. and Marijane E. Adams Jr. Scholarship**

*1 award at \$2,500*

Kyle Cormany, California Polytechnic State University

## **The F. W. "Beich" Beichley Scholarship**

*1 award at \$2,000*

Patrick Fletcher, University of Louisville

## **The Stephen T. Kugle Scholarship**

*1 award at \$2,000*

Erin Keys, University of Texas at Austin

## **The Frank and Faye Masino Scholarship**

*1 award at \$2,000*

Paul Tychsen, Milwaukee School of Engineering

## **The Frank William and Dorothy Given Miller ASME Auxiliary Scholarship**

*2 awards at \$1,500 each*

Bryan Coley, University of Alabama, Tuscaloosa  
Jay Johnson, University of Missouri, Rolla

## **The ASME Foundation Scholarship**

*17 awards at \$1,500 each*

Arian Vistamehr, Texas A&M University  
Gbenga Ogunleye, Louisiana State University  
Eduardo Navarrete Tolento, Universidad Nacional Autónoma de México  
Pierre-David Letourneau, McGill University  
Jason De Stigter, Dordt College  
Peter Krenzke, Valparaiso University  
Brandon Haws, University of California, Santa Barbara  
Katherine Sweet, Olivet Nazarene University  
Travis Turnbull, Texas Tech University  
Oumar Barry, Ryerson University (Canada)

Marco Brusa, Milwaukee School of Engineering

Kira Kembre, University of Cincinnati  
Eric Robinson, Central Michigan University  
David Hoffert, University of Wisconsin, Madison  
Clifford Smit, Tri State University  
Stacey Dupre, Louisiana State University  
Martin Nolan, City College of New York

## **The John and Elsa Gracik Scholarship**

*18 awards at \$1,500 each*

Terrance McGuire, University of Cincinnati  
Amelia Stein, SUNY Institute of Technology  
Erica McCay, Oregon Institute of Technology  
Matthew Zedler, Massachusetts Institute of Technology  
Philip Schloss, University of Missouri, Rolla  
Alexandru Popescu, University of Detroit, Mercy  
Sarah Kelly, Iowa State University  
Dylan Kingsley, University of Colorado at Boulder  
Timothy Deppen, University of Illinois, Urbana-Champaign  
Christine Lowry, Rochester Institute of Technology  
Todd Lagus, University of Minnesota  
Grace Madden, University of Texas at El Paso  
Hannah Dillon, St. Martin's University  
Jeffrey Schlosser, Georgia Institute of Technology  
Taylor Stockton, Oregon Institute of Technology  
Andrew Butcher, California Maritime Academy  
James Kang, Southern Methodist University  
Jessica Gmeinder, Rochester Institute of Technology

## **Power Division Scholarship**

*1 award at \$2,500*

Meredith Caldwell, University of Alabama, Tuscaloosa

## **The Robert F. Sammataro Pressure Vessel Piping (PVP) Division Memorial Scholarship**

*1 award at \$1,000*

Brian Fellon, Drexel University

## **The Bruce J. Heim Foundation (Graduate) Scholarship**

*1 award at \$1,500*

Antonius Nusawardhana, Purdue University

## **2005 Clarke Scholarship (awarded jointly with the ASME Auxiliary)**

*\$6,000 awards to each of five colleges for 2005 freshmen*

Lorne Bowman, Virginia Polytechnic Institute & State University

Brett Layton, Virginia Polytechnic Institute & State University

Michelle Desidero, Virginia Polytechnic Institute & State University

Zachary Curran, Pennsylvania State University

Joshua Orłowski, Pennsylvania State University

Elizabeth Dahm, Pennsylvania State University

Gregory Ames, New Jersey Institute of Technology

Derek Edwards, New Jersey Institute of Technology

Gregory Creighton, New Jersey Institute of Technology

Taylor Feldmann, Minnesota State University

Brooke McKelvogue, Minnesota State University

Adam Himmer, Minnesota State University

Katie Davis, University of Alabama

Robert Phillips, University of Alabama

Molly Denman, University of Alabama

## **ASME-ASME Auxiliary FIRST Clarke Scholarship**

*10 awards at \$5,000 each*

Christopher Domanti, Fairport High School, Fairport, N.Y.

William S. Goehringer, Dulaney High School, Lutherville, Md.

Roy J. Gross, North Penn High School, Lansdale, Pa.

Grant G. Hanson, Memorial High School, Tulsa, Okla.

Matthew R. Jones, Clover High School, Clover, S.C.

Chase J. Kramer, George Washington High School, Philadelphia, Pa.

Nathaniel A. Laverdure, Chantilly High School, Oak Hill, Va.

Malia Paloian, Xavier College Preparatory, Chandler, Ariz.

Brian Plattenburg, Wheeler High School, Marietta, Ga.

Brian Schmalzried, McDowell High School, Erie, Pa.

## **Graduate Student Fellowships**

*4 awards at \$5,000 each*

Douglas Bristow, University of Illinois, Urbana-Champaign

Anne-Marie Lerner, Georgia Institute of Technology

Enrico Manes, Purdue University

Joshua Vaughan, Georgia Institute of Technology

# HONOR ROLL OF DONORS

## CONTRIBUTORS TO ONGOING EDUCATIONAL, SCHOLARSHIP, AND HONORS PROGRAMS

### Centurion Club

\$1,000 and above

ExxonMobil Foundation  
William J. Adams  
Lynden F. Davis  
The Bruce J. Heim  
Foundation  
ASME Power Division  
Walter R. Garrison  
Masino Family  
Larry Rhoades  
John A. Swanson

### Benefactors

\$500-\$999

P.J. Adam Jr.  
Elizabeth C. Barna  
Donald Berkey  
Sidney Bernsen  
Virgil R. Carter  
Vernon L. Eriksen  
Richard R. Grigg  
Patricia Henry  
Warren R. Leonard  
Thomas G. Loughlin  
Robert H. Page  
Susan H. Skemp

### Patrons

\$250-\$499

Eugene V. Abraham  
John Alden  
Eugene Avallone  
Albert Brion  
Bruce Bodnar  
Stephen Crandall  
Jeffrey Fong  
David Hardy  
George Hatsopoulos  
Richard Hirsch  
Wilfred Jones  
Joseph M. Juran  
Dean Kamen  
Kim I. Mastalio  
Michael Michaud  
William F. Mitchell  
Willard A. Nott  
Luciano Santos  
David J. Soukup  
Bill Strathmann  
John Talbott  
Judy M. Vance

### Sponsors

\$100-\$249

Network for Good  
James Allman  
Otto Anderson  
Sunao Aoki  
Harry Armen

Thomas M. Barlow  
David L. Belden  
Dale Bethke  
Michael E. Bohse  
Robert H. Boorujy  
Robert Bosnack  
Abdon J. Bray  
Stanley Brodsky  
Anthony Cappucci Jr.  
William Craft  
William Dackis  
Ellison L. Davison  
Burton Dicht  
Edgar Doehler  
Charles Edmonds  
Roger Eichhorn  
John Fastabend  
Saul Fenster  
F. Joseph Fischer  
Frank Gillette  
Paul Glasgow  
Christian Gottzmann  
Thomas Greider  
Philip Hamilton  
Frederick J. Hanzalek  
Arthur B. Harris  
Frank Henry  
Henry Iida  
Robert Jeffers  
James Jones  
Hardin Joyce  
Guido G. Karcher  
William J. Kelly  
Daniel Kiland  
Jane Knoche  
Frederick H. Kohloss  
Normand Laurendeau  
Byron Lee  
John A. Lee  
Mark Lengsfeld  
C. Ronald Leonard  
Samuel Levin  
Mendall Long  
Tom Love  
Robert Mann  
C. Samuel Martin  
Alexander Matiuk  
Norman Maynard  
John Morrow  
Thomas Mullett  
Isaac Murray  
Vicki Payne  
Richard Phelan  
W. Pysh  
Ronald Reder  
Clayton Robson  
Bernard Ross  
Akira Sakunari  
Joseph Scher  
Byron Schieber  
Glenn Schurman

Evelyn Shopp  
Robert Simmons  
Fernando Sisto  
Phillip Sizer  
Arthur Skillman Jr.  
Donald Steele  
Beno Sternlicht  
Carl Strodman  
Harold Taylor  
Robert Teece  
David Thompson  
Roy Trowbridge  
Lawrence Trupo  
Joseph Van Overveen  
Brian Will  
Richard Wilson  
David Wing  
Helmut Wolf  
Stanley Yokell  
Donald Zwiepp

### Friends

Gifts to \$99

Harvey Allen  
Anthony Alonzo  
Fred Bagwell  
Bruce Baker  
Allen Bashore  
Charles Bayles  
Richard Bean  
Royce Beckett  
John Behen  
Howard Berman  
Henry Bernstein  
Charles Bert  
James Bertram  
Karl Boldt  
Theodore Brna  
John Burns  
Josiah Campbell  
Robert Chase  
Yu Chen  
Arthur Clark  
John Corcoran  
George Coyle  
John Curreri  
Louis Dale Jr.  
Louise Davis  
William De Fotis  
William Der Garry  
William Dickhart  
Vince Dilworth Jr.  
James Drenning  
Jay Geller  
James Glenn  
Charles Goodman  
Benjamin Goodwin  
James Hamm  
Dennis Hasson  
Lawrence Hauben  
Harold Herstedt

Robert Hess  
George Hicks  
Gerard Hillenbrand  
Charles Hinton  
Rolf Hoexter  
George Holliday  
Melvin Holubar  
Robert Hubby  
Susan Ipri Brown  
Millard Johnson  
Joseph Kaldon  
Judith Kearney  
James Keiler  
Steve Kerpan  
Blake King  
Henry Koenig  
Emil Kondra  
Samuel Korellis  
Alan Korman  
Charles Leslie  
Lysbeth Lieber  
Michael Lubrano  
Jerry Lyons  
Randall Maeda  
Charles Marston  
Lee Matsch  
Duncan Mc Leish  
William Meyer  
Charles Moore  
Robert Mott  
Louis Mscichowski  
Malcolm Murray  
Jacob Myers  
Ephraim Natkins  
Roger Olleman  
John Pope  
Richard Potter  
Joseph Rencis  
Lester Rhoads  
John Rice  
William Roquemore  
Jorma Sarto  
Yasutoshi Shirota  
John Shortt  
Oliver Siebert  
Norfleet Smith  
Alfred B. Soboyejo  
Gino Sovran  
David Spokely  
Richard Stonage Jr.  
Robert Stone  
Charles H. Swenson  
Henry Szepan  
Howard Taishoff  
Lawrence C. Tobias  
John A. Weese  
Charles Whitman  
Paul Wilbur  
Robert Winkler  
Richard Wise  
Everett E. Zwicky Jr.

## THE ASME FOUNDATION BOARD OF DIRECTORS 2005-2006

K. Keith Roe  
*Chair of the Board*  
James F. Wood  
*Vice Chair*  
P. J. Adam, Jr.  
David L. Belden  
Virgil R. Carter  
John F. Elter  
Richard E. Feigel  
Richard R. Grigg  
Lee S. Langston  
John C. Mihm  
Robert E. Nickell  
Susan H. Skemp  
John A. Swanson  
Nina Webb

### Archimedes Club Observer

Lynden F. Davis

### Staff

Judith Kearney  
*Director of Development*  
Warren R. Leonard  
*Executive Director*  
Michael K. Weis  
*Treasurer*

# THE ASME FOUNDATION ARCHIMEDES CLUB

CATEGORIES	Planned Gift Face Value Amount
<b>PLATINUM</b>	\$1,000,000 and above
<b>GOLD</b>	\$500,000 to \$999,999
<b>SILVER</b>	\$100,000 to \$499,999
<b>BRONZE</b>	\$25,000 to \$99,999
<b>MEMBER</b>	All Planned Gifts up to \$24,999

Members of ASME and supporters of The ASME Foundation, past and present, who leverage the future of the mechanical engineering profession with a planned gift, are recognized as members of the Archimedes Club.

## ARCHIMEDES CLUB FOUNDING MEMBERSHIP

### GOLD

Margaret and Leighton Orr

### SILVER

P.J. Adam Jr.  
Robert Cepluch  
Lynden F. Davis  
Nancy and Roland Fitzroy  
St. Clair Luzzi  
Carol and Allen Rhodes  
Janet and John Swanson  
Linda Kloebler Tang and Thomas Tang  
Mary Evans Stowell Thompson  
Roy Trowbridge

### BRONZE

Mahesh C. Aggarwal  
Irma and Robert Bennett  
Merle and Virgil R. Carter  
Rose and Samuel Collier  
Charles Concordia  
Falcon Family Trust  
Marilyn and Willis Gardner  
Richard J. Goldstein  
Francesca and Joe Holm  
Patricia and Duane Jordan  
Warren R. Leonard  
(In memory of Warren Leonard Sr.)

Thomas G. Loughlin  
(In memory of Julius A. Naab)  
Susan H. Skemp  
Chor Tan  
Harvey Wagner  
George C. Wiedersum  
Robert Wurtz

### MEMBER

Elizabeth C. Barna  
James Coaker  
John Corcoran  
John Elter  
Philip Hamilton  
Henry Koenig  
June Ling  
E. Roland Maki  
Magda and Michael Michaud  
The Estate of James McHugh  
John Mihm  
K. Keith Roe  
Byron Schieber Jr.  
Terry E. Shoup  
Pamela and David Soukup  
James Woodburn  
Nina and Tal Webb

## THE ASME FOUNDATION

### 2005-2006 PLANNED GIVING ADVISORY COMMITTEE

#### MEMBERS

John Mihm, Chair  
Caecilia M. Gotama  
Duane P. Jordan  
K. Keith Roe  
Allen F. Rhodes  
Lynden F. Davis  
Joseph Falcon

#### ASME

Judith Kearney  
Warren R. Leonard

# HONORS AND AWARDS

## HONORARY MEMBERS

Alva L. Addy  
Life Fellow ASME  
James R. Welty  
Life Fellow ASME  
Ward O. Winer  
Life Fellow ASME  
Georgia Institute of Technology

## ASME MEDAL

Richard J. Goldstein  
Life Fellow ASME  
University of Minnesota

## ACHIEVEMENT AWARDS

### Bergles-Rohsenow Young Investigator Award in Heat Transfer

Wilson K. S. Chiu  
University of Connecticut

### Per Bruel Gold Medal For Noise Control and Acoustics

Cyril M. Harris

### Daniel C. Drucker Medal

Alan Needleman  
Fellow ASME  
Brown University

### Thomas A. Edison Patent Award

Charles Alexander Garriss  
Fellow ASME  
George Washington University

### William T. Ennor Manufacturing Technology Award

Jyotirmoy Mazumder  
University of Michigan

### Fluids Engineering Award

Wolfgang A. Rodi  
University of Karlsruhe

### Freeman Scholar Award

Promode R. Bandyopadhyay  
Fellow ASME  
Naval Undersea Warfare Center

### Y.C. Fung Young Investigator Award

Beth A. Winkelstein  
University of Pennsylvania

### Henry Laurence Gantt Medal

Charla Kamm Wise  
Lockheed Martin Aeronautics Co.

### Melvin R. Green Codes and Standards Medal

J. Robert Sims Jr.  
Fellow ASME  
Becht Engineering Co., Inc.

### Heat Transfer Memorial Award

#### Science

Arun Majumdar  
Fellow ASME  
University of California

#### Art

C. Thomas Avedisian  
Fellow ASME  
Cornell University

#### General

Kambiz Vafai  
Fellow ASME  
University of California

### Mayo D. Hersey Award

Koji Kato  
Tohoku University

### Soichiro Honda Medal

David E. Foster  
University of Wisconsin

### Internal Combustion Engine Award

N. Richard Dunteman  
NR Dunteman LLC

### Johnson & Johnson Consumer Companies, Inc. Medal

Abel Hernandez-Guerrero  
Fellow ASME  
Universidad de Guanajuato

### Warner T. Koiter Medal

Pierre Suquet  
Lab De Mecanique Et D'Acoustique

### Frank Kreith Energy Award

Roland Winston  
University of California

### James N. Landis Medal

Harold R. Denton  
Nuclear Safety Consultant

### Bernard F. Langer Nuclear Codes And Standards Award

Warren H. Bamford  
Westinghouse Electric Co., LLC

### Gustus L. Larson Memorial Award

Narayana R.V. Aluru  
University of Illinois

### H. R. Lissner Medal

Peter A. Torzilli  
Fellow ASME  
Hospital for Special Surgery

### Machine Design Award

Itzhak Green, D.Sc.  
Fellow ASME  
Georgia Institute of Technology

### Charles T. Main Student Section Award

#### Gold

Adeodato I. Botello-Arredondo  
Universidad de Guanajuato

#### Silver

Amanda M. Thomas  
Virginia Polytechnic Institute and State University

### M. Eugene Merchant Manufacturing Medal Of ASME/SME

Yoram Koren  
Fellow ASME  
University of Michigan

### Van C. Mow Medal

Robert L. Sah  
University of California

### Nadai Medal

Richard M. Christensen  
Honorary Member ASME  
University of California

### Burt L. Newkirk Award

Mitjan Kalin  
University of Ljubljana

### Old Guard Young Engineers Award

#### Winner

Catherine Q. Lengsfeld

#### Runner-Up

Timo Marquez Arreaza

### Rufus Oldenburger Medal

J. Karl Hedrick  
Fellow ASME  
University of California

### Performance Test Codes Medal

John W. Siegmund  
Fellow ASME  
Sheppard T. Powell Associates LLC

### Marshall B. Peterson Award

Nicolas Fillot  
Lamcos Insa Lyon

### Pi Tau Sigma Gold Medal

Nicholas Fang  
University of Illinois

### James Harry Potter Gold Medal

Richard O. Buckius  
Fellow ASME  
University of Illinois

### Pressure Vessel and Piping Medal

Michel J. Pettigrew  
Fellow ASME  
Ecole Polytechnique

### Dixy Lee Ray Award

Richard Pombo  
U.S. House of Representatives

### Charles Russ Richards Memorial Award

Ramesh K. Agarwal  
Fellow ASME  
Washington University

### Ralph Coats Roe Medal

Bernard Amadei  
University of Colorado

### Safety Codes and Standards Medal

Herschell E. Godwin, Jr.  
The Godwin Co., LLC

### R. Tom Sawyer Award

Erio Benvenuti  
Fellow ASME  
Retired

### Ben C. Sparks Medal

Alok K. Verma  
Old Dominion University

### Ruth and Joel Spira Outstanding Design Educator Award

John S. Lamancusa  
Pennsylvania State University

### Student Section Advisor Award

Debendra K. Das  
Fellow ASME  
University of Alaska

### J. Hall Taylor Medal

Thomas P. Pastor  
HSB Global Standards

### Robert Henry Thurston Lecture Award

Sia Nemat-Nasser  
Fellow ASME  
University of California

### Timoshenko Medal

Kenneth L. Johnson  
University of Cambridge

### Yeram S. Touloukian Awards

Johanna Levelt Sengers  
Fellow ASME  
National Institute of Standards and Technology

### Frank Von Flue Award

William F. Ranson, III  
Fellow ASME  
University of South Carolina

### George Westinghouse Medal

#### Gold

Ben T. Zinn  
Fellow ASME  
Georgia Institute of Technology

## LITERATURE AWARDS

### Blackall Machine Tool & Gage Award

Y Lawrence Yao  
Columbia University  
I. Cevdet Noyan  
Columbia University  
Wenwu Zhang  
GE Global Research Center

### Gas Turbine Award

Ivor J. Day  
Fellow ASME  
Whittle Laboratory  
Christopher Freeman  
Thomas Scarinci

### Melville Medal

Raj M. Manglik  
Fellow ASME  
University of Cincinnati  
Juntao Zhang

### Worcester Reed Warner Medal

James G. Simmonds  
Fellow ASME  
Retired

### Arthur L. Williston Medal

#### First

Tyler E. Schnug

#### Second

Amanda M. Thomas  
Virginia Polytechnic Institute and State University

#### Third

Joy K. Adjorlolo

# FINANCIAL STATEMENTS

## The ASME Foundation, Inc.

### STATEMENT OF ACTIVITIES

Year ended June 30, 2006

(with summarized totals for the year ended June 30, 2005)

	Unrestricted	Temporarily restricted	Permanently restricted	2006 Total	2005 Total
<b>Operating revenue</b>					
Contributions	\$ 29,170	291,959	—	321,129	336,569
Interest and dividends, net of investment fees of \$92,381 in 2006 and \$76,412 in 2005	159,392	234,392	38,178	431,962	426,996
Net assets released from restrictions	324,059	(324,059)	—	—	—
<b>TOTAL OPERATING REVENUE</b>	<b>512,621</b>	<b>202,292</b>	<b>38,178</b>	<b>753,091</b>	<b>763,565</b>
<b>Operating expenses (note 6)</b>					
Grants	156,803	—	—	156,803	166,836
Contributions to ASME programs (note 3)	303,400	—	—	303,400	308,157
Scholarships, awards, and honoraria	263,287	—	—	263,287	288,500
Development office salaries and benefits	132,667	—	—	132,667	—
Medals, plaques, and certificates	37,053	—	—	37,053	61,135
Occupancy and administration (note 3)	87,200	—	—	87,200	87,503
Professional and consulting fees	26,466	—	—	26,466	16,970
Reproduction, stationery, and supplies	8,046	—	—	8,046	3,929
Travel, postage, and other	49,075	—	—	49,075	60,847
<b>TOTAL OPERATING EXPENSES</b>	<b>1,063,997</b>	<b>—</b>	<b>—</b>	<b>1,063,997</b>	<b>993,877</b>
(DEFICIENCY) EXCESS OF OPERATING REVENUE OVER OPERATING EXPENSES	(551,376)	202,292	38,178	(310,906)	(230,312)
<b>Nonoperating activity</b>					
Appreciation in fair value of investments (note 4)	726,047	717,832	461	1,444,340	1,212,214
<b>INCREASE IN NET ASSETS</b>	<b>174,671</b>	<b>920,124</b>	<b>38,639</b>	<b>1,133,434</b>	<b>981,902</b>
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<b>9,344,653</b>	<b>6,702,727</b>	<b>2,590,747</b>	<b>18,638,127</b>	<b>17,656,225</b>
<b>NET ASSETS AT END OF YEAR</b>	<b>\$9,519,324</b>	<b>7,622,851</b>	<b>2,629,386</b>	<b>19,771,561</b>	<b>18,638,127</b>

See accompanying notes to financial statements.



Independent Auditors' Report

The Board of Directors

The ASME Foundation, Inc.:

We have audited the accompanying statement of financial position of The ASME Foundation, Inc. (the Foundation) as of June 30, 2006, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Foundation's 2005 financial statements and, in our report dated August 19, 2005, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the pur-

## STATEMENT OF FINANCIAL POSITION

June 30, 2006

(with comparative amounts as of  
June 30, 2005)

	2006	2005
<b>Assets</b>		
Cash and cash equivalents	\$ 119,699	121,246
Student loans receivable, less allowance for doubtful accounts of \$90,500 in 2006 and \$95,600 in 2005	921,159	852,962
Contributions receivable, net	—	8,949
Medal inventory	183,873	132,538
Investments (note 4)	19,139,521	17,588,019
<b>TOTAL ASSETS</b>	<b>\$20,364,252</b>	<b>18,703,714</b>

### Liabilities and Net Assets

#### Liabilities:

Accounts payable and accrued expenses	\$ 9,371	11,901
Annuities payable	583,320	53,686
<b>TOTAL LIABILITIES</b>	<b>592,691</b>	<b>65,587</b>

#### Net assets:

Unrestricted	9,519,324	9,344,653
Temporarily restricted (note 5)	7,622,851	6,702,727
Permanently restricted (note 5)	2,629,386	2,590,747
<b>TOTAL NET ASSETS</b>	<b>19,771,561</b>	<b>18,638,127</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$20,364,252</b>	<b>18,703,714</b>

See accompanying notes to financial statements.

pose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The ASME Foundation, Inc. as of June 30, 2006, and the changes in its net assets and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

**KPMG LLP**

November 17, 2006

## STATEMENT OF CASH FLOWS

June 30, 2006

(with comparative amounts for the  
year ended June 30, 2005)

	2006	2005
<b>Cash flows from operating activities</b>		
Increase in net assets	\$1,133,433	981,902
Adjustments to reconcile increase in net assets to net cash used in operating activities:		
Endowment contributions and interest and dividends required to be added to permanently restricted net assets	(38,178)	(34,237)
Appreciation in fair value of investments	(1,444,340)	(1,212,214)
Changes in assets and liabilities:		
Decrease in contributions receivable	8,949	18,205
(Increase) decrease in medal inventory	(51,335)	17,482
(Decrease) increase in accounts payable and accrued expenses	(2,530)	8,673
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>(394,000)</b>	<b>(220,189)</b>

### Cash flows from investing activities

Purchases of units in the investment pool of ASME	(1,189,567)	(402,325)
Sales of units in the investment pool of ASME	1,082,405	482,222
Loss on sale of contributed securities	—	(358)
Loans issued to students	(333,834)	(148,410)
Collection of loans from students	265,637	268,101
<b>NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES</b>	<b>(175,359)</b>	<b>199,230</b>

### Cash flows from financing activities

Endowment contributions and interest and dividends required to be added to permanently restricted net assets	38,178	34,237
Annuity payments	(30,242)	(8,288)
Increase in annuities payable	559,876	50,094
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>567,812</b>	<b>76,043</b>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(1,547)</b>	<b>55,084</b>
Cash and cash equivalents at beginning of year	121,246	66,162
Cash and cash equivalents at end of year	\$ 119,699	121,246

See accompanying notes to financial statements.

# FINANCIAL STATEMENTS

## The ASME Foundation, Inc.

Notes to Financial Statements June 30, 2006  
(with comparable financial information for June 30, 2005)

### 1. Organization

The ASME Foundation, Inc. (the Foundation) was incorporated as a not-for-profit supporting organization on February 7, 1986, to promote the art, science, and practice of mechanical engineering throughout the world and engage in activities which support ASME. The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Foundation provides the following services:

- Encourages and rewards outstanding achievement in mechanical engineering by obtaining funds for the conferring of honors and awards on persons and organizations who or which have made substantial contributions to the advancement of mechanical engineering;
- Obtains funding for scholarships, grants, and/or awards which support and expand career opportunities or professional growth in the field of mechanical engineering through education and research;
- Sponsors programs and projects such as lectures, seminars, and clinics which contribute to the continuing education and professional growth of practicing mechanical engineers; and
- Supports research in mechanical engineering and the rapid dissemination of results throughout the community of mechanical engineers.

### 2. Summary of Significant Accounting Policies

#### Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting.

#### Basis of Presentation

The Foundation's net assets and revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Foundation and changes therein are classified and reported as follows:

*Unrestricted net assets.* Net assets that are not subject to donor-imposed stipulations.

*Temporarily restricted net assets.* Net assets subject to donor-imposed stipulations that will be met either by actions of the Foundation and/or the passage of time.

*Permanently restricted net assets.* Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on related investments for general or specific purposes.

Revenues are reported as increases in unrestricted net assets unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestrict-

ed net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

#### Cash Equivalents

Cash equivalents include commercial paper maturing within 90 days unless renewed.

#### Medal Inventory

Medal inventory is carried in the financial statements at the lower of cost, which is determined using the first-in, first-out method, or market.

#### Split Interest Agreements

The Foundation receives contributions in the form of charitable gift annuities and trusts for which the Foundation is the trustee. Such split interest agreements typically provide for payments to a donor or his/her beneficiary a fixed amount for a specified period. The time period can be for the life of the donor or his/her designee. The assets received are recognized at fair value when received, and an annuity payable is recorded at the present value of future cash flows expected to be paid to the donor or his/her designee based upon mortality tables and interest assumptions. Contribution revenue is recognized as the difference between these two amounts. Contributions, investments, and a liability to annuitants are recognized by the Foundation in the period in which the assets are donated. Adjustments to the annuity payable to reflect amortization of the discount and changes in the life expectancy of the donor or his/her beneficiary are recognized in the statement of activities.

#### Contributions

Contributions, which include unconditional promises to give (pledges), are recognized as revenue in the period received.

#### Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### Prior Year Comparative Information

The financial statements are presented with 2005 comparative information. With respect to the statement of activities, such prior year information is presented in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S.

generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Foundation's 2005 financial statements from which the summarized information was derived.

### 3. Transactions with ASME

ASME charges the Foundation for office space and other services. In 2006 and 2005, such charges totaled \$87,200 and \$87,503, respectively. In 2006 and 2005, the Foundation made contributions of \$303,400 and \$308,157, respectively, to ASME in support of honors and awards, and other programs.

### 4. Investments

The Foundation's investments consist of an undivided interest in the investment pool of ASME. ASME pooled investments consist of mutual funds, bonds and notes, common and preferred stock, money market funds and certificates of deposit. Investments of the pool are recorded at fair value based upon quoted market prices. Realized and unrealized gains and losses are recognized as changes in net assets in

the periods in which they occur, and interest and dividends are recognized as revenue in the period earned. At June 30, 2006 and 2005, the Foundation's interest had a cost basis of \$17,457,266 and \$16,481,214, respectively, and a fair value of \$19,139,521 and \$17,588,019, respectively.

The appreciation in fair value of investments for the years ended June 30, 2006 and 2005, consisted of the following:

	2006	2005
Net realized gain on investment transactions	\$ 868,890	681,412
Net change in unrealized gain	575,450	530,802
	<u>\$1,444,340</u>	<u>1,212,214</u>

### 5. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets and the income earned on permanently restricted net assets are restricted by donors to the following purposes or future periods at June 30, 2006 and 2005:

	2006		2005	
	Temporarily restricted	Permanently restricted	Temporarily restricted	Permanently restricted
Award programs	\$4,918,305	1,023,949	4,470,625	1,016,117
Scholarship and fellowship programs	1,121,352	1,590,437	1,022,905	1,559,630
Grants and other programs	340,405	—	266,677	—
College programs in power engineering	76,659	—	72,045	—
U.S. engineering programs	336,321	—	305,108	—
Gift annuity	238,238	—	—	—
Student loan program	591,571	15,000	556,418	15,000
Future periods	—	—	8,949	—
	<u>\$7,622,851</u>	<u>2,629,386</u>	<u>6,702,727</u>	<u>2,590,747</u>

### 6. Functional Expenses

The Foundation's expenses, which are reported by natural classification in the accompanying statement of activities, benefited the following program and supporting services for the years ended June 30, 2006 and 2005:

	2006	2005
Program services:		
Awards	\$508,959	563,078
Grants	156,803	166,836
Scholarships and fellowships	188,056	189,300
Student loan program	10,144	25,383
	<u>863,962</u>	<u>944,597</u>
Management and general	67,368	49,280
Development	132,667	—
	<u>\$1,063,997</u>	<u>993,877</u>

## THE ASME FOUNDATION BOARD OF TRUSTEES

**K. Keith Roe**  
*Chairman and President  
Burns and Roe  
Enterprises, Inc.*

**Adalberto Alfonso Jr.**  
*Vice President  
Florida Power & Light Co.*

**David L. Belden**  
*Executive Director,  
Emeritus  
ASME*

**Stuart R. Bell**  
*Dean of Engineering  
University of Kansas*

**Virgil R. Carter**  
*Executive Director  
ASME*

**Kenton Chickering III**  
*Retired Executive  
Daniel Valve Co.*

**Jack T. Coffman**  
*Senior Vice President  
Oklahoma Gas and Electric*

**D. Edward Crow**  
*Retired Executive  
Pratt & Whitney*

**John F. Elter**  
*Chief Technology Officer  
Plug Power*

**Nancy D. Fitzroy**  
*Retired Executive  
General Electric*

**Walter R. Garrison**  
*Chairman  
CDI Corporation*

**Richard R. Grigg**  
*Executive Vice President &  
Chief Operating Officer  
FirstEnergy Corp.*

**Robert M. Guezuraga**  
*President Cardiac Surgery  
Medtronic, Inc.*

**George N. Hatsopoulos**  
*Chairman  
Thermo Electron Corp.*

**Joseph Kovach**  
*Vice President, Engineering  
& Manufacturing  
Technology  
Parker Hannifin Corp.  
Hydraulic Group*

**Allan E. Kukoski**  
*Director, Engineering  
and Design  
Foster Wheeler Power  
Group*

**Kim I. Mastalio**  
*President Energy Services  
Division  
Black and Veatch*

**John Mihm**  
*President  
JCM Consulting*

**C. Dan Mote Jr.**  
*President  
University of Maryland*

**George W. Paczkowski**  
*Vice President  
Downstream Technology  
Conoco/Phillips*

**Winfred M. Phillips**  
*Vice President & Dean  
University of Florida*

**Michael Rencheck**  
*Senior Vice President  
Engineering,  
Technical & Environmental  
Services  
American Electric Power  
Service Corp.*

**David R. Smith**  
*Director, Production  
Systems Engineering &  
Technology  
Eastman Kodak*

**Richard H. Stanley**  
*Chair  
Stanley Group*

**John A. Swanson**  
*President  
Swanson Analysis Services,  
Inc.*

**Roy P. Trowbridge**  
*Retired Executive  
General Motors*

**Ward O. Winer**  
*Chair  
Georgia Institute of  
Technology  
School of Mechanical  
Engineering*

**James F. Wood**  
*President and CEO  
Babcock Power Inc.*

**Charles L. Wu**  
*Director, Manufacturing and  
Vehicle Design  
Ford Motor Company*

**Warren R. Leonard**  
*Executive Director  
The ASME Foundation*

The ASME Foundation  
Three Park Avenue  
New York, NY 10016-5990 U.S.A.  
212-591-7000  
[www.foundation.asme.org](http://www.foundation.asme.org)