
BOARD OF DIRECTORS MEETING ♦ MINUTES ♦ Monday, July 14, 2014 & Tuesday, July 15, 2014
The American Ceramic Society, 600 N Cleveland Ave, Suite 210, Westerville, OH 43082

Board Members Present:

David Green, President
Richard Brow, Past President
Kathleen Richardson, President-elect
Ted Day, Treasurer
Keith Bowman, Director
John Halloran, Director
Edgar Lara-Curzio, Director
Tatsuki Ohji, Director
Ivar Reimanis, Director
Lora Cooper Rothen, Director
Mrityunjay Singh, Director

Board Members Absent:

Elizabeth Dickey, Director
Vijay Jain, Director

Non-Voting Board Members Present:

David Johnson, Parliamentarian
Charlie Spahr, Executive Director

Others Present:

Dan Lease (Day 1)

Staff Present:

Teresa Black
Eileen De Guire
Marcus Fish
Sherman Hall
Sue LaBute
Mark Mecklenborg

1.0 CALL TO ORDER AND OPENING STATEMENTS – DAY 1 – JULY 14, 2014

President Green called the meeting to order at 12:00 p.m. The agenda was approved without additions.

2.0 APPROVAL OF CONSENT AGENDA

2.1 Approval of Previous Board Meeting Minutes

- January 25, 2014 Board Meeting
- April 2014 Evote

2.2 Acceptance of Committee Reports

2.3 Approval of Student Material Advantage Chapters

- University of Delaware: Newark, Delaware, United States
- State University of Maringá: Maringá, Paraná, Brazil
- University of Petroleum Energy Studies: Dehrandun, Uttarakhand, India

2.4 Approval of Expenditure from the Labino Fund

On motion by Director Lara-Curzio, seconded by President-elect Richardson, the Board voted **unanimously** to approve the consent agenda of July 14-15, 2014.

3.0 PRESIDENT'S REPORT

3.1 2014 Presidential Committees Reports

Fellows Committee

President Green provided an update of the work completed by the Fellows committee, led by Raj Bordia, to address the non uniformity of nominations. The committee has concluded and recommend the following actions:

- the current nomination procedure is working and should continue;

- the Panel of Fellows should provide a few examples of good nomination packages;
- “mentors” should be indentified who will advise the nominators to ensure that the nomination packages fairly reflect the nominee’s contributions (mentors will not have voting rights and they will not directly interact with the Panel of Fellows);
- staff will provide the Panel with the demographic data for the Society members, the Society Fellows and the current nominations for Fellows (the demographic information will show if the awardees reflect the diversity of the Society, will break out by industry, government agency/national lab or academia, as well as by country).

Action Item: President Green will contact Panel of Fellows chair, Raj Bordia, to implement the recommendations; staff will provide the demographic data.

ACerS Premier Lectures

President Green discussed the concern about the number of attendees at the ACerS lectures during the MS&T conference. He developed the following suggestions with Staff Director Mark Mecklenborg for endorsement by the Board of Directors:

- Make the ACerS **Orton Lecture** one of the key talks in the MS&T Plenary Session each year; suggest making the ASM/TMS Distinguished Life Lecture a second plenary lecture; perhaps AIST could suggest a third plenary;
- Conduct a live or video broadcast of the **Rustum Roy Lecture** and post it on ceramics.org for free or as a member benefit;
- Petition ECD to move the **Friedberg Lecture** to be presented as a Plenary Lecture at ICACC; the lecture provides a tutorial that reviews and instructs in some area of ceramics with “a distinct engineering flavor”, as required by the award rules – fits well with ECD;
- Promote the ACerS lectures at MS&T more aggressively;
- Move the Sosman Award to the former Orton timeslot at MS&T

Action Item: President Green will contact NICE and ECD to discuss moving the Friedberg lecture; Executive Director Spahr will discuss the Orton lecture becoming a part of the MS&T plenary with the MS&T partners; the various ACerS award committees will be included in the discussions.

Diversity in ACerS

President Green provided an update of the work of the committee and chair, Lynnette Madsen, joined the Board via teleconference to provide a summary of their report, progress to date and ideas for consideration. Madsen discussed the following items from the report:

Progress to date:

1. Statement of diversity – has been posted on ceramics.org (inclusion)
2. Membership form – will be expanded to collect racial/ethnic info. (numbers: tracking)
3. Demographics of ACerS awards - analysis is being conducted (numbers: tracking)

Ideas for Consideration:

Madsen reviewed the ideas that the committee is considering for future implementation.

Inclusion

- A. ‘Diversity’ (minorities) organize a networking event at a conference
- B. Connect with other Societies focused on Underrepresented Groups, such as the Society of Hispanic Professional Engineers or SWE
- C. Establish a Website interface to help people in certain groups to connect better - start with two groups: African American women, People with disabilities
- D. Conduct a Mentoring workshop

Numbers / Leadership

- E. Engagement as Chairs, Organizers and Speakers

F. Recognition through Awards

Sustainability

G. Create a Permanent Diversity Committee in the ACerS government structure

The committee is collecting and analyzing information with plans to provide additional detail for the October Board meeting, which will provide a more comprehensive idea of what could be accomplished.

Executive Director Spahr reviewed the progress that has been made by staff per the recommendations of the Diversity committee. He asked the Board members to review the demographic questions that will be added the new member and renewal applications to provide feedback and to approve implementation.

On motion by Treasurer Day, seconded by Past President Brow, the Board voted to approve the addition of the demographic questions on new member and renewal applications as recommended by the Diversity Committee. The motion carried with nine affirmative vote and one abstention.

Action Item: President Green will schedule a conference call with the Board and the Diversity Committee members in the near future to further discuss the recommendations.

Pan Am Ceramic-Societies

President Green reported that he traveled to Brazil in May to give the invited opening talk at the 58th Congress of the Brazil Association of Ceramics (ABC). While there, he discussed a proposed Memorandum of Understanding between ACerS and the Brazilian Ceramic Society with their officers. A verbal agreement includes reciprocal complimentary membership for officers of the societies; special membership fees for members of both societies; lecture exchange program; correspondence of technical articles; and news, publication and Society updates on each other's websites. The final version will be presented for approval by the Board.

3.2 Rustum Roy Lecture Fund

President Green explained that it was brought to his attention by staff that the Rustum Roy Lecture Fund is low and is on track to last approximately three more years therefore, he is seeking suggestions going forward. One suggestion is to reduce expenses such as eliminating the dinner with the speaker and committee members, or the reception that precedes the lecture. Given Rustum's status and reputation, should a fundraising effort be undertaken, and if so, what is the procedure and does CGIF have a role. He suggested that he contact some of Roy's former graduate students to gauge their interest in potential fundraising. On a related issue, there are several award funds with healthy balances (Marquis, Geijsbeek) that are no longer being awarded. Can these funds be tapped, and if so, what is the procedure.

Past President Brow suggested speaking to Carlo Pantano, as he may have a suggestion on where to start and with who to start. Director Rothen asked if the funds run out, and we're having trouble with attendance, perhaps it should not be continued. President-elect Richardson suggests going back to the original donors for some direction, a mechanism is needed to determine how to resolve the financial side. Director Halloran cautioned to proceed carefully so the same people aren't asked to donate multiple times (such as for CGIF too).

Action Item: President Green will reach out to these folks who were suggested about possible fundraising and their thoughts on continuing the Rustum Roy lecture series. Director Singh plans to discuss the Geisbeek fund with Sylvia Johnson, as it came from the previous Pacific Coast Section and was to be managed by the Pacific Coast Regional Meeting, both are no longer active.

3.3 Strategic Planning for Emerging Opportunities Update

Technical Interest Groups (TIGs)

President-elect Richardson reported that the Technical Interest Group champions held a conference call recently to provide updates. There currently are three active ones and that a proposal from Lynnette Madsen suggesting a new topic for a TIG on sustainability. More will be shared at the next Board meeting in October.

3.4 Material Advantage Program

Following up on questions asked during the April Board meeting (via conference call), the Material Advantage chapters are approved in perpetuity, as long as annual reports are submitted; if not submitted chapter becomes 'inactive' and must apply for re-admission; Chapter reports are reviewed and exemplary ones are highlighted and awarded with 'Chapter of Excellence' designation; Staff working to attract more ACerS regular members sourced from the MA pool.

4.0 FINANCIAL UPDATE

4.1 2013 Auditor's Report

Roy Lydic and Trevor Warren from the audit firm of Schneider Downs presented the audit results and reviewed the process that they used to conduct the field work. They noted that it was a clean unqualified audit with no material misstatements, and that ACerS has an extremely strong balance sheet with healthy financial ratios. The Management Letter identified two Material Weaknesses and one Significant Deficiency, which have all been addressed by management with corrective actions implemented by staff. They also noted that the operations are extremely strong that and that it is commendable that ACerS is looking at ways to move the organization forward.

On motion by Treasurer Day, seconded by Past President Brow, the Board voted **unanimously** to approve the 2013 auditor's report in accordance with the recommendation of the Finance Committee.

4.2 Year-to-Date Results

Staff Director Black reviewed the year-to-date financial results as of May 31, 2014. Combined revenue through May was at \$3,155k, \$44k below budget. Year-to-date surplus remains strong at \$296k, \$147k ahead of budget. Administrative expenses through May were \$96k below budget. Some expenses, particularly related to the audit and the Foundation, will be realized later in the year.

On the ACerS side, revenues are \$38k below 2014 budget and direct operating surplus is \$26k behind budget. Membership revenue is \$3k above budget year-to-date and \$12k above 2013 year-to-date budget. Meetings are \$35k below year-to-date budget primarily due to lower revenue from CLS and MCARE. Products revenue is \$3k below year-to-date budget, but with the release of Phase 4.0 it is expected that there will be increased sales over the next several months. Subscription revenue for the *Bulletin* is at budget for the year; advertising revenue is slightly below budget due to nonrenewal of two advertisers.

CPC revenues are \$5k below budget for the year, but direct operating surplus is \$77k head of budget. *Ceramics Monthly* advertising sales are \$21k ahead of budget year-to-date, but subscriptions are down \$34k for the year. Promotional efforts have been implemented in response to reader feedback. *Pottery Making Illustrated* advertising sales are at budget for the year, and subscriptions are down \$5k compared to YTD budget. Art Books and DVD sales continue to perform well in 2014 at \$23k over year-to-date budget. Potters Council membership is \$3k ahead of budget for the year. Meeting registration is \$8k below budget for the year, but it is expected to make up some of that in June with a meeting that was rescheduled from earlier in the year.

4.3 Investment Portfolio Update and Major Fund Bank Balances

Eric Niermeyer, ACerS investment advisor from Wells Fargo presented investment results. He provided a brief synopsis of the economy in general, noting that the first quarter performance was horrible, some of which was weather related, though results are looking better for the second quarter. Expected growth for the year should be in the 5-6 percent range, which is a conservative estimate. ACerS has built a diversified portfolio.

4.4 Line of Credit

Treasurer Day reviewed the concept of adopting a line of credit. ACerS does not currently have a line of credit, the Finance Committee recommends that a \$300k line of credit be established to address short-term cash flow fluctuations. At times, cash flow is diminished due to fewer meetings or timing of payments from

Wiley. The current option is to take cash from investments, or sell securities if cash levels are insufficient. There are no fees unless credit is accessed (prime + 0.5%) and the Finance Committee will be notified if credit is accessed.

On motion by Treasurer Day, seconded by Director Singh, the board voted **unanimously** to approve establishing a \$300,000 line of credit to be used to address short-term cash flow fluctuations in accordance with the recommendation of the Finance Committee.

The line of credit will be secured from Huntington National Bank.

Signors will be Charles Spahr, Executive Director or Teresa Black, Director of Finance and Operations.

The collateral being pledged is All Business Assets.

Action Item: Director Rothen recommended that Staff Director Black investigate using credit cards that provide incentives to pay bills.

ADJOURNMENT – DAY 1

The meeting adjourned for the day at 3:45 p.m. and will resume at 8:30 a.m. on Tuesday. Executive Director Spahr announced that the meeting would resume at 8:30 a.m. on Tuesday instead of 9:00 a.m. as originally scheduled.

CALL TO ORDER – DAY 2 – JULY 15, 2014

President Green called the meeting to order at 8:30 a.m.

5.0 EXECUTIVE DIRECTOR'S REPORT

5.1 Operations Update

Executive Director Spahr provided the update on the ACerS and CPC operations. A restructuring of staff was conducted in June. The IT Department now reports to the Finance and Operations Director, Teresa Black; Membership reports to the Director of Meetings and Technical Publications, Mark Mecklenborg; and Marketing reports to the Director of Communications, Eileen De Guire. The restructuring results in fewer direct reports to Spahr, a streamlining of the organization, and will allow Executive Director Spahr to devote more time and focus on the foundation. He reported the following key updates by product line:

- An IT assessment is being conducted by a technology consulting firm to review processes, systems, best practices, and resource utilization. Their recommendations will be used to develop strategic technology goals.
- The BrightKey customer service contract has been extended for six months, with a final decision about potential transition of customer service function in-house to be decided by the end of the year.
- Paid individual membership is flat (4,016 in 2014 compared to 4,055 in 2013) while total individual membership increased (5,549 in 2014 compared to 5,333 in 2013) primarily due to associate member comps; corporate membership is up 9% (126 in 2014 compared to 115 in 2013); YPN members are up 17% over 2013 (180 in 2014 compared to 150 in 2013) including 35 participating in the Future Leaders Program. Promotion of the student demo and lab kits is continuing with over 60 sold so far, and nearly 3,000 lesson plans have been downloaded. ACerS participated in the USA Science Festival in Washington, DC, in April 2014, where more than 300,000 students, teachers and parents attended. Looking at options to leverage participation at future events, such as coordinating a 'materials pavilion.'
- ACerS is now accepting and posting Supplementary Materials online for all three journals; ACerS recognized several authors who have each published more than thirty high impact papers in the *Journal of the American Ceramic Society* over the past 10 years (2004-2013).
- 19 proceedings were published this year and three ACerS-Wiley Series Books are in production and scheduled for release in 2014: *Continuous Fiber-Reinforced Ceramic Composites* (Narottam Bansal

and Jacques Lamon); *Ultra-High Temperature Ceramics - Materials for Extreme Environment Applications* (William Fahrenholtz); and *Biosurfaces: A Materials Science and Engineering Perspective* (Kantesh Balani).

- Phase 4.0 was released in May with all new browser-based software; NIST released a Phase Equilibria Diagram Editor that can be downloaded for free and used to digitize various types of phase diagrams.
- The first of the ACerS-Florida Institute of Technology DVDs on Bioceramics by Larry Hench was released this month and the *Fracture of Brittle Materials* DVD by Steve Freiman is planned to be released in October 2014.
- Several meetings are on the calendar for this year, and though they were highly rated by attendees, two produced lower revenue than was budgeted (CLS and MCARE).
- Site locations have been contracted for future meetings - EMA 2016 will be held at the Doubletree by Hilton at SeaWorld in Orlando in January 2016; MCARE 2016 will be held at the Clearwater Hilton in April 2016; PacRim 2017 is tentatively scheduled to be held at the Hilton Waikoloa Village in Hawaii in May 2017 and the ICG Congress is tentatively scheduled to be held at the Boston Park Plaza Hotel and Towers in June 2019.
- The communications department added a second associate editor position in February, which has resulted in a much more active social media program; increase in the publication of CTT to three times a week; rebranding of the ACerS In Focus as ACerS Spotlight; digitizing all back issues of the *Bulletin* and working to release an app version of the magazine.
- *Ceramics Monthly* and *Pottery Making Illustrated* new and renewal subscriptions are down, in response CPC is planning editorial updates to address reader retention as well as revised renewal cycles; tablet first-year subscriptions are renewing at a rate of 70% - typical print renewal rate is 40%.
- DVD price adjustments were implemented this year which has resulted in increased unit sales; six new titles will be released in the remainder of the year at a rate of one per month.
- Potters Council membership is on track; conference registration in the second quarter sold out, with three workshops planned in the third quarter on track to sell out.
- A new subscription based website is being created for building and organizing ceramic-recipe collections, and is on track to launch in the third quarter.

5.2 Balance of Year Update

Executive Director Spahr reviewed the balance of year financial outlook. ACerS is \$147k ahead of budget on the bottom line as of May 31, 2014. The results reflect soft revenue from division/topical meetings, specifically Electrospinning and Biomedical, and continued weakness in *Bulletin* classified advertising; ACerS expenses reflect unused CGIF product development budget. CPC revenue reflects declines in magazine subscription revenue, primarily *Ceramics Monthly*; CPC expenses reflect reduced magazine expenses due to decline in circulation. Full year operating surplus is projected to remain at current levels.

5.3 Ceramics Expo Trade Show Update

The first Ceramics Trade Show, *Ceramics Expo*, is scheduled to take place in April 2015, in Cleveland, Ohio, with 50 exhibitors signed up so far. Staff currently is working on sales, as is Smarter Shows; original target was 120 exhibitors. Also working to leverage other potential benefits from the relationship with Smarter Shows and may co-locate the 2016 Ceramic Leadership Summit.

8.0 PARLIAMENTARIAN REPORT

Foundation

On motion by Director Singh seconded by President-elect Richardson, the board voted **unanimously** to amend

the ACerS Constitution By-Laws Article BXVI. Foundations paragraphs 2.C.1, 2.D.1. and 2.D.2. as identified in Appendix A.

9.0 CERAMIC AND GLASS INDUSTRY FOUNDATION

Introduce Development Director - Marcus Fish

Executive Director Spahr introduced Development Director, Marcus Fish, who started on staff on June 30.

CGIF Activity Update

Executive Director Spahr provided an update of activities related to the Foundation that have taken place since April:

- A brochure was produced and is being distributed at all of ACerS meetings
- **foundation.ceramics.org** website was built
- Incorporated as a one member LLC
- Researching courses offered at companies, universities, government agencies

Review and Discuss Goals/Next Steps

Executive Director Spahr asked for feedback on the goals to ensure they are what we want the Foundation to do, agree on the finances and the programming, establish the Board of Trustees and set the BOT meeting schedule.

Goals – understand that the Society and the Foundation will work in tandem, will start a strategic planning process in the Fall, the work of the Foundation ties back to the work of the Society, and vice versa. Discussed the goals as outlined and prioritized them as follows:

- Support students with a demonstrated interest in materials science and engineering, especially ceramic and glass (internship programs, scholarships)
- K-12 outreach, with a focus on secondary school students (science kits, incl. matsci curriculum, regional/national science fairs)
- According to industry needs, provide continuing education and training to those already in industry
- Public education (social media campaigns)
- Support diversity in the science and engineering disciplines

Following are comments made during discussion:

- Recognize that Ceramic Engineering education is disappearing, identify how the CE information is going to be disseminated in the future
- Undergraduates are more of the focus than graduate students
- Funds for undergraduate students are hard to come by, the key professors identify the students for the companies – the system won't work without the key professors, the MA professors could be a natural pipeline because they already are interested and may be able to help facilitate
- Rank internships ahead of scholarships, though scholarships are sellable, especially to alumni, don't short sell the value of scholarships both in giving and receiving
- Key professors can direct the students to the right internship opportunities, requires someone to do the 'matchmaking,' someone local to manage, post the opportunities on the Foundation website, guide the students to the website, include the application process (removes the overhead for smaller companies)
- Internships for Ceramic Engineers, not always in the lab, could be sales
- Assist with finding housing for interns, bridge the gap
- Help companies provide a more structured approach to working with interns to provide a meaningful experience

- Determine the role for community colleges
- Provide more continuing education and training/more local continuing education and training, could be via the web; can be an international exchange, not just US based
- Could MEP (manufacturing extension program) through NIST help, could integrate
- Funds are less important to large companies, the pipeline to students is what's important
- Materials camps and demo kits, a good focus for PCSA and YPN

Fundraising Effort Overview

Development Director Fish reviewed the aspects of his role, most important will be revenue generation; communication to our potential donor pool will also be a big focus; he'll help set the framework, select a fundraising module; stressed the importance of getting the message out on a regular and consistent basis, keeping hitting the message in communications and marketing channels; the initial message will be participation rather than donating.

2014 Objectives

Executive Director Spahr proposed a 'strawman' for the initial composition of the Board of Trustees, noting that these are guidelines, not quotas. The Board voted to accept the strawman proposal for the makeup of the BOT [Appendix B].

The Board discussed when the first meeting of the BOT should take place and agreed that in January 2015 in Florida would be a good option, especially from the international perspective.

Action Item: Executive Director Spahr will coordinate the collection of prospects for the BOT and schedule a discussion via teleconference, including recommendations from ACerS BOD members and Division Leaders.

10.0 EXECUTIVE SESSION

On motion by President-elect Richardson, seconded by Treasurer Day, the Board voted to move into executive session to discuss nominations and appointments.

11.0 COMMITTEE APPOINTMENTS

Book Publishing Sub-committee

On motion by Director Singh, seconded by Past President Brow, the Board voted **unanimously** to approve **Mario Affatigato** (Coe College) as chair of the Book Publishing Sub-committee for the Society term October 2014 to 2015 and to approve **Ricardo Castro** (UC Davis) as a member of the Book Publishing Sub-committee for the Society term October 2014 to 2017.

12.0 APPROVAL OF PRESIDENTIAL APPOINTMENTS

President-elect Richardson requested approval to hold an electronic vote at the end of the month to approve the slate of nominees for committee and sub-committee appointments; Green approved.

13.0 NOMINATING COMMITTEE REPORT

On motion by President-elect Richardson, seconded by Director Singh, the Board voted **unanimously** to approve the slate of nominees for the positions of treasurer, principal activity and standing committees chairs and members as presented by the 2013-2014 Nominating Committee in Appendix C.

14.0 DISCONTINUE EXECUTIVE SESSION AND ADJOURNMENT

On motion by Director Lara-Curzio, seconded by Director Rothen, the Board voted to end the executive session and on motion by Director Halloran, seconded by Director Reimanis, the Board voted to adjourn the meeting at 2:00 p.m.

BOARD OF DIRECTORS MEETING SCHEDULE

2014

- Pittsburgh, PA Saturday, October 11, 2014 10:00 a.m. – 5:00 p.m. (MS&T)

2015

- Daytona Beach, FL Sunday, January 25, 2015 10:00 a.m. – 5:00 p.m. (ICACC)
- Miami, FL Sunday, May 17, 2015 10:00 a.m. – 5:00 p.m. (GOMD)
- Columbus, OH Saturday, October 3, 2015 10:00 a.m. – 5:00 p.m. (MS&T)

2016

- Orlando, FL Saturday, January 23, 2016 10:00 a.m. – 5:00 p.m. (EMA)
- TBD Spring/Summer TBD, 2016 10:00 a.m. – 5:00 p.m.
- Salt Lake City, UT Saturday, October 22, 2016 10:00 a.m. – 5:00 p.m. (MS&T)