



MINUTES
BOARD OF DIRECTORS MEETING

Thursday, June 24, 2021

Approved by the Board of Directors on November 10, 2021.

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PRINCIPAL APPROVED MOTIONS

Board of Directors Meeting

Thursday, June 24, 2021

No. - Pg.	Motion
1 - 2	The minutes from the May 24, 2021 Board of Directors meeting be approved.
2 - 3	Finance Committee recommends to the Board of Directors that the 2021-22 draft budget for the General Fund, inclusive of council budgets, showing a total surplus of \$101,100 be approved.
4 - 4	Finance Committee recommends to the Board of Directors that the 2021-22 draft budget for the Research Fund showing total revenues of (\$3,684,600) and expenses of (\$3,684,600) be approved.
5 - 4	Finance Committee recommends to the Board of Directors that they approve a discretionary capital expenditure budget of \$200,000 for fiscal year 2021-2022.
7 - 5	<p>MOTION 6 be amended into two motions as follows:</p> <p>The Board of Directors shall amend the Certificate of Consolidation to reflect the new Headquarters address, as noted in ATTACHMENT C.</p> <p>The Board of Directors shall amend the Certificate of Consolidation to change the minimum number of directors to nine (9), as noted in ATTACHMENT C.</p>
8 - 5	The Board of Directors shall amend the Certificate of Consolidation to reflect the new Headquarters address, as noted in ATTACHMENT C.
9 - 5	The Board of Directors shall amend the Certificate of Consolidation to change the minimum number of directors to nine (9), as noted in ATTACHMENT C.

ACTION ITEMS

Board of Directors Meeting

Thursday, June 24, 2021

No. - Pg.	Responsibility	Summary of Action	Status
1 - 2	Littleton	Prepare a report on European membership growth, publications, training, and the impact of dealing with other organizations ExCom review. (Carryover from March 22, 2019)	



MINUTES
BOARD OF DIRECTORS MEETING

Thursday, June 24, 2021

MEMBERS PRESENT:

Chuck Gulledge, President
Mick Schwedler, President-Elect
Farooq Mehboob, Treasurer
Don Brandt, Vice President
Bill Dean, Vice President
Tim McGinn, Vice President
Bill McQuade, Vice President
Jeff Littleton, Secretary
Chris Phelan, Region I DRC
Jeff Clarke, Region II DRC
Dunstan Macauley, Region III DRC
Steve Marek, Region IV DRC
Doug Zentz, Region V DRC
Rick Hermans, Region VI DRC
Chris Gray, Region VII DRC*
Randy Schrecengost, Region VIII DRC

Tyler Glesne, Region IX DRC
Devin Abellon, Region X DRC
Russell Lavitt, Region XI DRC
Robin Bryant, Region XII DRC
Apichit Lumlertpongpana, Region XIII DRC*
Andres Sepulveda, Region XIV DRC
Ahmed Alaa Eldin Mohamed, RAL DRC
Kelley Cramm, DAL
Wade Conlan, DAL
Ken Fulk, DAL
Katherine Hammack, DAL
Jaap Hogeling, DAL
Sarah Maston, DAL
Chandra Sekhar, DAL
Adrienne Thomle, DAL
Ashish Rakheja, DAL

*Member was not present for the entire meeting.

GUESTS PRESENT:

Ginger Scoggins	Kishor Khankari	Dan Rogers	Terry Townsend
Steven Sill	Sheila Hayter	Chad Smith	Rachel Romero
Ronald Gagnon	Tom Phoenix	Don Colliver	Trent Hunt
Mark Tome	David Underwood	Doug Cochrane	Costas Balaras
Eileen Jensen	Dennis Knight	Heather Schopplein	John Constantinide
Richie Mittal	Fabio Clavijo	Krishnan Viswanath	Chris Balbach
Dru Crawley	Tim Wentz	Kay Thrasher	
Art Giesler	Doug Fick	Mark Miller	
	Nivedita Jadhav	Nitin Naik	

STAFF PRESENT:

Candace DeVaughn, Manager - Board Services
Chandrias Jacobs, Coordinator - Board Services
Joyce Abrams, Director - Member Services
Vanita Gupta, Director - Marketing
Kim Mitchell, Chief Development Officer
Mark Owen, Director - Publications & Education
Stephanie Reiniche, Director - Technology
Annamarie Wilhoit, Interim Director of Finance

Alice Yates, Director - Government Affairs
Connor Barbaree, Sr. Mgr. of Standards
Dustin Mason, Development Mgr.
Daniel Gurley, Manager - Membership
Vickie Grant, Manager - Region Activities
Tony Giometti, Sr. Mgr. - Conference Programs
Tanisha Meyers-Lisle, Procedures Administrator
Lilas Pratt, Manager - Special Projects
Sarah Foster, Editor - Journal & HPB

CALL TO ORDER

Mr. Gulledge called the meeting to order at 8:01 am.

CODE OF ETHICS

Mr. Gulledge read the code of ethics commitment. He encouraged all in attendance to read the full code of ethics statement and core values online.

ROLL CALL/INTRODUCTIONS

Roll call was conducted. Members, guests, and staff in attendance as noted above.

REVIEW OF MEETING AGENDA

Mr. Gulledge reviewed the meeting agenda. There were no changes.

APPROVAL OF MINUTES

Ms. Hammack moved and Ms. Maston seconded that

1. The minutes from the May 24, 2021 Board of Directors meeting be approved.

MOTION 1 PASSED (Unanimous Voice Vote, CNV).

REVIEW OF ACTION ITEMS**APRIL 20, 2021**

Action item 1 was reported as ongoing. All other action items were reported as complete.

AI - 1**MAY 24, 2021**

The action item was reported as complete.

OPEN SESSION - ADDRESSES TO THE BOARD OF DIRECTORS

Comments to the BOD were read into record and are included in ATTACHMENT A.

RECOGNITION OF OUTGOING CHAIRS OF COMMITTEES REPORTING TO THE BOD

Mr. Gulledge recognized and thanked outgoing chairs.

REPORT OF THE TREASURER

Mr. Mehboob reported. The full presentation and report are included in ATTACHMENT B.

Mr. Mehboob reported that there was very little change from the most recent report. He stated that the budgeted deficit for this Society year will be lower than what was budgeted.

He reported that confirmation has been received that the first PPP loan was forgiven. The budget figures shown are without the loan forgiveness. With the forgiveness, there is a surplus budget this Society year.

He reported that this Society year had the highest net assets ever, primarily due to the new HQ building. This takes into account loans associated with the new building.

Mr. Schwedler thanked Mr. Mehboob for his report and commended the staff team for the storm that was weathered this year. He asked for clarification on slide five on the surplus reported for the current year. He asked what the surplus will be if the second PPP loan is forgiven. He stated that his understanding was that the budget allowed for the reinstatement of one staff position, not four.

Mr. Mehboob responded that the Finance Committee and staff are looking for the best way to report the loan forgiveness.

Mr. Littleton confirmed that one staff position was reinstated, not four. This decision was made prior to PPP loan forgiveness.

Ms. Hammack stated that she strongly advocates for reinstated positions that have been left vacant, especially in support of the Handbook Committee. She stated her opinion that if funds are being applied toward staffing, it will be viewed positively in the review of the second PPP loan. She stated that staffing up to adequately support members is something she strongly advocates for.

Mr. Mehboob thanked Ms. Hammack for pointing Society in the direction of the PPP loan.

Ms. Hammack stated that in a TC meeting it was stated that Society suspended all new research.

Mr. Mehboob reported that the first priority was to fund research that was already started. To that end, the BOD made the decision to use reserve funds to meet funding gaps. He stated that RAC has continued to review RTARs and prioritize research for when funds become available. He stated that no new funds were awarded this Society year; this will continue into the new Society year unless RP has a good year.

Ms. Hammack stated that the perception that ASHRAE is out of the research business needs to be countered.

Mr. Gulledge thanked Ms. Hammack for bringing this to the BOD's attention and agreed that this is a disturbing message.

Mr. McQuade stated that the accurate message needs to be communicated more fully. He reiterated that Society is not out of the research business.

Mr. Hermans asked if repaying reserve transfers from the increased appreciation is still planned.

Mr. Mehboob responded that this will absolutely be done. He reported that at the last meeting information was shared on how the reserves will be recouped. He reported that reserves will be fully recouped in 2026, with the PPP loan forgiveness they may be able to be recouped earlier. He stated that a discussion needs to be had on how to apply and report PPP loan forgiveness.

Mr. Mehboob moved that

2. Finance Committee recommends to the Board of Directors that the 2021-22 draft budget for the General Fund, inclusive of council budgets, showing a total surplus of \$101,100 be approved.

Mr. McGinn suggested that the motion be postponed until after executive session.

Mr. McGinn moved and Ms. Hammack seconded that

3. Motion 2 be postponed until after executive session of this meeting.

Mr. Mehboob stated that the original motion can be approved and changes can be made as needed based on subsequent discussions. He stated that it is pertinent to approve the budget of the Society.

Mr. McGinn withdrew MOTION 3 and Ms. Hammack agreed.

MOTION 3 WITHDRAWN.

MOTION 2 PASSED (Unanimous Voice Vote, CNV).

Mr. Mehboob moved that

4. Finance Committee recommends to the Board of Directors that the 2021-22 draft budget for the Research Fund showing total revenues of (\$3,684,600) and expenses of (\$3,684,600) be approved.

Mr. Mehboob reported that the research fund proposed budget includes a 4% transfer of the research fund reserve portfolio.

Mr. Hermans stated that it might be useful, assuming this motion passes, to work through Tech Council and TAC to make an official announcement or explanation to try to dissuade the fears of the TCs.

Mr. McQuade stated that an email has already been drafted to explain what happened and outline the plan moving forward.

MOTION 4 PASSED (Unanimous Voice Vote, CNV).

Mr. Mehboob moved that

5. Finance Committee recommends to the Board of Directors that they approve a discretionary capital expenditure budget of \$200,000 for fiscal year 2021-2022.

Mr. Marek asked where this money comes from.

Mr. Littleton reported that this is a capital expense. The money will only be spent if it is needed. If it is spent, it would appear as depreciation in future years. This would not affect surplus/deficit for the year's budget.

MOTION 5 PASSED (Unanimous Voice Vote, CNV).

Mr. Mehboob reviewed the Finance Committee's MBOs and information items.

POSTPONED MOTIONS - APRIL 20, 2021

Mr. Gullledge brought back postponed MOTION 5 from the April 20, 2021 BOD meeting.

6. The Board of Directors amend the Certificate of Consolidation to reflect the new Headquarters address and change the minimum number of directors to nine (9), edits noted in ATTACHMENT C.

Mr. Macauley moved that

7. MOTION 6 be amended into two motions as follows:

The Board of Directors shall amend the Certificate of Consolidation to reflect the new Headquarters address, as noted in ATTACHMENT C.

The Board of Directors shall amend the Certificate of Consolidation to change the minimum number of directors to nine (9), as noted in ATTACHMENT C.

Clarification of the 60-day cooling off period was requested.

Mr. Littleton stated that the intent of the cooling off period has been met.

Mr. Hermans spoke in favor of the amendment.

MOTION 7 PASSED (Voice Vote, CNV). Mr. Mehboob, Mr. Brandt, Dr. Alaa, and Mr. Lumlertpongpana voted against the motion. Mr. Schwedler abstained.

8. The Board of Directors shall amend the Certificate of Consolidation to reflect the new Headquarters address, as noted in ATTACHMENT C.

Mr. Littleton reminded members of the BOD that two of the three postponed motions require a 2/3 majority vote because they result in changes to the Bylaws. The result of passing the motions is to pass them on to the members in a ballot this fall.

MOTION 8 PASSED (Unanimous Voice Vote, CNV).

9. The Board of Directors shall amend the Certificate of Consolidation to change the minimum number of directors to nine (9), as noted in ATTACHMENT C.

Mr. Zentz spoke against the motion. He stated his feeling that there was not enough clarity on how the reduction in the number of BOD members will be accomplished in the future.

Mr. Hermans expressed agreement with Mr. Zentz.

Ms. Cramm spoke against the motion. She stated that she supported the intent and spirit of the motion, but having read Mr. Colliver's comments, she agrees that it is moving a little quickly without sufficient background info and consequences flushed out. She stated that more transparency and communication to the membership is needed before the BOD can address the motion.

Ms. Maston spoke in favor of the motion. She stated that this motion would allow for flexibility down the road. She stated that approving the motion does not commit the BOD to any particular path.

Mr. Rakheja spoke in favor of the motion. He stated that this motion has no bearing on the next motion.

Mr. Schwedler spoke in favor of the motion. He stated that approving the motion would give the BOD flexibility moving forward. He stated that motion would change the number of Directors, not the number of BOD members.

Mr. Fulk spoke against the motion. He stated that he did not understand why the number of Directors would need to be reduced to nine, considering the proposed structure in the next motion is to reduce the BOD size to 16.

Mr. Glesne spoke in favor of the motion. He stated that the motion does not reduce the number of BOD members but allows for future flexibility. He stated that the details can always be flushed out later, and this motion allows the BOD to do that without getting into turmoil in the future.

Ms. Bryant spoke in favor of the motion. She stated that this motion reduces the number of Directors, not the total number of BOD members. She stated that currently, the consolidation documents allow for a maximum of 45 BOD members.

Mr. Sekhar spoke in favor of the motion. He stated that this motion would provide flexibility and would not put a limit on the maximum number of BOD members, which is part of the next motion.

Mr. Apichit spoke in favor of the motion, stating that it allows for flexibility.

Mr. Hogeling spoke in favor of the motion. He stated that other organizations have these types of limits in place and they are helpful. He thanked Ms. Bryant for the clarifications she provided.

Mr. Hermans stated that if this motion is not passed, it would invalidate the count in the next vote.

Mr. Littleton stated that Mr. Hermans' interpretation is correct. He stated that the proposed makeup of the new BOD would require the number of Directors to be nine.

Mr. Brandt spoke in favor of the motion.

Mr. Mehboob spoke in favor of the motion. He stated that never in the history of ASHRAE has there been such extensive discussion campaign - regions, chapters, councils, committees, BOD members, and Presidential Members. He stated his opinion that whatever the vote, at this point in time, the entire membership and the grassroots are fully aware that this BOD is in the spotlight regarding this decision. He continued that if the decision is to maintain the status quo, the grassroots membership may want to know why the BOD didn't want to change.

MOTION 9 PASSED (21:7:0, CNV).

Mr. Gulledge brought back postponed MOTION 7 from the April 20, 2021 BOD meeting.

10. The size of the Board of Directors be reduced from 31 to 16 members.

Ms. Cramm spoke against the motion. She stated that many members of the BOD feel this topic was discussed widely, but she did not believe it was. She stated that based on the feedback today, the discussion didn't make it too far outside of the BOD. She supported the intent of the motion and stated that if it were more widely available to the membership, she would support it.

Mr. Zentz spoke against the motion. He stated that his opposition is to the basic reduction and the way it is being done. He asked some questions on the process, especially the DRC side, and he does not feel that full answers have been provided. He stated that he received feedback from the chapters that there is a perception that power in Society would be reduced to a smaller group that would not be representative of the chapter's needs.

Mr. Macauley spoke against the motion. He stated that he agrees with the intent of the motion to be more streamlined but he does not feel the motion on the floor is fully vetted. He stated his opinion that the motion as written would reduce the size of the BOD without changing how the BOD functions, which would double the work for BOD members because nothing has been done to make organizational changes to make the BOD more efficient.

He stated that with such a substantive change, there needs to be a road show that goes out to the chapters and members; the BOD needs to understand what the members think and incorporate that feedback.

Mr. Hermans spoke against the motion. He stated that he is not against making the BOD smaller. He stated that the motion on the floor should be the last motion, not the first, for the reasons presented by Mr. Macauley. He stated his opinion that the number of regions should be reduced, which would reduce the number of Directors that serve on the BOD.

He stated his opinion that reducing the size of the BOD does not make it more strategic. The BOD will become more strategic by having strategically oriented agenda items. He stated that approving the motion on the floor is a tacit approval of other things in the report that have not been discussed.

Mr. Mehboob spoke in favor of the motion. He stated that he has never seen more extensive coverage of an issue - 2,800 comments were received from hundreds of members. He stated that the Streamlining Ad Hoc issued a roadmap outlining a six-year journey where the BOD is making the decisions at each step.

He continued that a smaller BOD is one which would be strategic. The ROB will be devolved down into the rules of the councils, giving them decision making authority and bringing the grassroots closer to the decision making.

Mr. Fulk spoke against the motion. He stated that he is not against the spirit of the motion but he does not think that the extent of the changes will make the BOD that much more strategic to make it worth the effort. He stated that the current BOD is much more strategic than it is given credit for. He continued that a lot of details aren't known and he would prefer to tie the details to the motion. He expressed a concern that there could be unintended consequences of approving the motion. More work needs to be done to vet out the details.

Mr. Schwedler spoke against the motion. He stated that he is not against the concept presented in the motion. He stated that the fall CRCs are an opportunity to communicate these efforts.

Mr. McQuade spoke against the motion at this time, stating that more preparation on the ground needs to be done. He stated that the organization he works for recently went through a similar restructure. He stated that the reduction in the BOD was very successful but there was a lot of institutional anxiety because at the working level, people didn't know how what they do today will get done tomorrow. A lesson learned from his organization is that there needs to be a campaign to get buy in from the entire organization. Also, it should be ensured that it is not a top-down effort.

Mr. Zentz stated that he is for the spirit of the motion. He stated that the size of the BOD does need to be reduced, but he is against the way it is being done. He stated that the information he received was late and incomplete. He stated his opinion that the biggest problem is perception of members; ExCom is the elephant in the room and with the proposed changes ExCom is seen as having even more power.

Ms. Bryant spoke against the motion. She stated that over the last two years a significant amount of time was spent on the streamlining effort. She stated her belief that streamlining the BOD and pushing decision making down to the councils is vital, but she did not believe that the motion presented has enough information for a responsible decision to be reached.

She stated her belief that there is a push to get something approved. The motion did not pass the subcommittee and many members of the ad hoc resulted to an email campaign to salvage the effort. She stated that the ad hoc violated the ROB as it pertains to letter ballots and the results are the motions before the BOD now with none of the basic information required - no timeline or fiscal impact presented with the motion.

She continued that she believes the rule change needs to be written and approved by the BOD. She stated that the process needs to be completed per the ROB, prior to voting on the motion. A major structural change without in-person meetings is disrespectful to our membership. She urged the BOD to send the motions back to the ad hoc and let them complete their work and do what is right for this Society.

Mr. Dean spoke against the motion. He stated that he agreed with the concept but had issue with the role of VPs not being addressed.

Mr. Lavitt spoke against the motion. He stated he supported the intent but not the motion. He stated his opinion that the grassroots have not been properly informed.

Mr. Marek spoke against the motion. He expressed his opinion that the focus should be shifted to streamlining the councils.

Mr. Glesne spoke in favor of the motion. He stated that there is not going to be an all-encompassing motion to streamline and the effort will be top down. He stated that more can be done to spread the word and market this to our membership. He expressed his belief that the BOD is doing the right thing with this motion and stated that Society can't continue to grow if we keep moving at the speed of ASHRAE.

Mr. Clarke spoke against the motion. He thanked the ad hoc for their work. He stated that the ad hoc's work can be used as the basis going forward.

Ms. Maston spoke in favor of the motion. She stated that the intention of the ad hoc was never to plan every detail of the reorganization and doing so would be impossible. Instead, the group was trying to provide structure under which they thought the reorganization could happen. She stated that a proposed plan was not meant to be set in stone because the intention of the ad hoc was not to tell the councils what to do. She stated that with a smaller BOD, ExCom would no longer be needed.

Mr. Hogeling stated that he was in favor of the principal of the motion.

Mr. Phelan spoke in favor of the motion. He stated that the BOD does not have all the answers, but they do have a roadmap. He expressed his opinion that the BOD should proceed now, not ten years from now.

Mr. McGinn spoke in favor of the motion. He stated his belief that BOD members have been elected to make tough decisions on behalf of the members. To gain consensus through public facilitation of 50,000

members is impossible and it is up to the BOD to make these tough decisions. He stated that BOD size is the biggest determination of how effective the BOD will be. He encouraged the BOD to make this move now.

Mr. Hermans stated that the motion is inadequate and missing background, fiscal impact, and timeline. He continued that the motion implies the work of the Streamlining Ad Hoc but does not explicitly say that.

Mr. Conlan spoke against the motion. He stated that he is in favor of the spirit of the motion but against it as written. He stated that he did not believe that the motion can be approved without approving the roadmap first.

Mr. Clavijo spoke against the motion.

Mr. Mehboob spoke in favor of the motion. He stated his belief that the motion is important and relevant. He thanked the BOD for their appreciation of the spirit of the motion. He expressed dismay that this will be the 21st failed attempt at streamlining.

Mr. Gulledge thanked the ad hoc and applauded the tremendous amount of work they dedicated to this effort. He stated that whatever the outcome of the vote, the BOD is indebted to Mr. Wentz, Mr. Mehboob and all members involved.

MOTION 10 FAILED (13:16:0, CNV).

Mr. Gulledge brought back postponed MOTION 9 from the April 20, 2021 BOD meeting.

11. The Society Bylaws be amended, as noted in ATTACHMENT D.

Mr. Hermans stated the proposed bylaws changes should follow a broader campaign to advertise the BOD's intention to make these changes. He expressed his opinion that putting this motion on the ballot is putting the cart before the horse.

Mr. Marek spoke against the motion. He stated that this motion should follow a motion to approve the new structure.

Mr. Conlan spoke against the motion. He stated that the motion is using terminology that has not been approved.

Mr. Schwedler spoke against the motion. He stated that the motion has consequences that the BOD has not yet considered.

Mr. Sekhar spoke against the motion. He stated that the previously failed motion has bearing on the motion on the floor.

Ms. Cramm spoke against the motion. She stated that there needs to be further investigation into member comments.

Ms. Bryant spoke against the motion. She stated that the impacts of the motion are not yet fully vetted.

Mr. Mehboob had no final comments.

MOTION 11 FAILED (5:24:0, CNV).

Mr. Gulledge expressed his thanks to members of the ad hoc who worked tirelessly on this effort and put up with the passion of BOD members, council members, committee members, and grassroots members.

Mr. Littleton stated that one change to the Articles of Consolidation was approved. It was discussed previously that there would be a special ballot in the fall and that has been budgeted for. Mr. Littleton recommended that the approved change be held until the spring ballot, saving \$12,000-15,000.

Mr. Gulledge stated that he did not see the urgency to accelerate this ballot vote. He stated that he does not see a rationale that supports spending \$12,000.

Mr. Wentz agreed with Mr. Gulledge and Mr. Littleton. He stated that he no longer saw the urgency in putting the change on a fall ballot. He stated that the ad hoc will take the BOD's comments to heart. He stated that he was encouraged that the BOD could accept the spirit of the ad hoc's work. He thanked the ad hoc for all of their work and stated that he could not say enough good things about the group.

EXECUTIVE SESSION

Executive session was called at 11:10 am.

Open session reconvened at 11:53 am.

INFORMATION ITEM

REPORT OF THE PRESIDENT

Mr. Gulledge presented the report of the President. He stated that he went everywhere but stayed home at the same time.

APPOINTMENTS UPDATE

Mr. Gulledge reported that vacancies since January 2021 are highlighted. He stated that BOD members can review the information on their own time.

STANDARDS ANALYSIS SHEETS

Mr. Gulledge reported that the Standards Analysis Sheets are included for the BOD's review.

OUTGOING MEMBERS

Mr. Gulledge recognized outgoing BOD members - Mr. Phelan, Mr. Dean, Mr. McQuade, Mr. Mehboob, Mr. Lavitt, Ms. Hammack, Dr. Alaa, and Mr. Clarke. Mr. Macauley and Ms. Maston were also recognized for their current and ongoing service on the BOD.

Members expressed their thanks and appreciation for serving the Society.

Mr. Schwedler thanked Mr. Gulledge for his leadership and dedication.

ADJOURNMENT

The meeting adjourned at 12:19 am.

A handwritten signature in black ink, appearing to be 'JH Littleton', with a horizontal line extending to the right.

Jeff H. Littleton, Secretary

ATTACHMENTS:

- A. Open Session Addresses to the BOD
- B. Finance Committee Report and Presentation
- C. Proposed Edits to the Certificate of Consolidation
- D. Proposed Edits to the Society Bylaws

**ADDRESSES TO THE BOARD OF DIRECTORS
JUNE 24, 2021**

○ **Shichao Liu, Boston Chapter Member**

Improve the guidance on how to manage presentations for speakers. It is very difficult to find. Also, technical support is quite slow.

○ **Donald Colliver, Bluegrass Chapter Member**

Dear ASHRAE Board of Directors,

I have just seen the agenda for the BOD meeting tomorrow and am very surprised about the motion to reorganize the Society Operational Structure and the nomination procedures for members of the BOD. Today is the first I have heard that this was being considered. While I do not pretend to (nor need to) know about the internal workings of what is going on within the Society, I would have anticipated that something of this magnitude would have been discussed more widely, been discussed in the ASHRAE communications network, and would have asked for input from a wider group of individuals who have intimate knowledge of the history of what has made our great Society into what is today.

I was involved in some proposed minor structural changes while I was serving on ExCom. As a result of a perception that it had not gotten a wide hearing and input from the members, the rule that changes must be presented at one meeting and voted on at a later meeting was made. This was to assure that there was sufficient dialog with impacted members. I do not see evidence of where this dialog has occurred in the present case.

I can understand the importance of making some of the changes – in particular the clean-up of the Certificate of Consolidation – and support this change.

However, the other two motions proposing a reduction in the size of the Board to 16 people and making changes in ASHRAE's Bylaws to allow that to happen do not have: a) sufficient background, b) supporting material on how the changes are to be made, or c) the fiscal impact. The material may be hidden somewhere else in the agenda but if it is to be enforceable and perceived to be agreed upon, it must be within the motion or referred to in the motion. Without this information these motions are lacking sufficient instruction (and agreement if it passes) on how these changes are to be made – something that is absolutely necessary if the proposed changes are to successfully achieve their goals. Otherwise it appears to be a “trust me” – something that is too loose for something of this magnitude and has too many items not sufficiently worked out. As an example I see that the nomination of one of the Directors is to come from the Technology and Pub/Ed Councils (pg 223 of agenda) – this is in direct conflict with the By-Laws and the elimination of this conflict does not appear to be included in the proposed changes to the By-Laws.

I am assuming that the purpose of these proposals is to find ways to make the Board more strategic and efficient. This is a lofty goal and is a good reason for considering changes to the Board. Please note I am not opposed to the concept of making the Society more efficient and the BOD more

effective. However there is insufficient information on how the changes are to be implemented and how the large work load of the current BOD members will be distributed to one-half the current number of individuals.

If the goal of this is to make the Board more efficient and more strategic, I would suggest that it may be more efficient to look at Board agendas, internal procedures, Board member assignments, and other workings of that group. Eliminating 60% of the representation of our grassroots members at the Board should not be the primary course of action.

The Society demographics have changed and the percentage of our membership outside North America is growing. A review and realigning of the structure of ASHRAE's Regions is long overdue - as is the fiscal impact of the regional organization. This should be the first step in restructuring the Board.

In conclusion, ASHRAE has a long history of success due in a large part to the collegial "can-do" attitude that was based upon open, frank discussions and a recognition, understanding, and appreciation of others' opinions. I ask that you consider if these two short motions are sufficiently well enough defined that: a) your fellow board members will agree on how the 16 BOD members will be selected, b) how the transition to 16 members will be determined, c) the fiscal impact of the proposal, and d) most importantly - will this enhance the collegial "can-do" attitude that is a valuable core principle in an effective Board of Directors?

I'm sorry that I cannot be present for the discussion but trust that each of you will put the best interests of ASHRAE first in making your decision.

Thank you for your consideration; and Thank You for all you do for ASHRAE!

Don

- **Carrie Anne Monplaisir, Hampton Roads Chapter Member**

I'm concerned about the motion to amend the Certificate of Consolidation in reducing the minimum number of board members from 15 to 9. While I understand the necessity to make the Board more strategic, I believe there are more efficient ways to do so.

In reducing the number of board members, you would also limit the voices of our membership. In the many presentations I've given over the past 7 years about our ASHRAE structure, I always highlight that the Membership is at the top of the hierarchy in ASHRAE.

The most beneficial element of having a Regional Officer on the Board is that our Chapter members know who to talk to about issues that impact them. That officer can then voice those concerns during discussion of motions with benefit of direct membership input, and only after the crucial discussions have transpired, does that board member vote for the best interest of ASHRAE as a society.

The two are not mutually exclusive, either representing the Region or representing the Society. The DRCs wear both hats in the ASHRAE Board Meetings by echoing the voices of membership, even those they disagree with, and then voting for the society as a whole. I believe reducing the number

of representatives would be detrimental to ASHRAE's ability to serve our membership, and isn't that our main driver?

Thank you for your time.

- **Jonathan Smith, Kansas City Chapter Member, MP Vice Chair**

Thank you President Gulledge and the rest of the BOD for the time. Wanted to update the board on status of membership numbers and hardship clause usage. At the onset of COVID-19 in late February 2020 we were around 57K members. As of last week, we are down to around 50,500.

As a committee we are doing everything we can to combat this drop in membership. We anticipate the peak of membership decline should hit within the next few months and then start to steadily increase once again. With face to face meetings coming back in the fall and all the efforts and hard work of our committee I have nothing but confidence in these numbers climbing once again.

As far as the hardship clause is concerned, currently around 50 or so members have utilized it. Of that 40% comes from Region XIV. We are working hard to continue to get the word out about the hardship clause through the Chapter MP Chairs and RVCs.

We have placed a huge focus on recruitment and retention for the 21-22 upcoming year to keep the membership from falling down any lower.

Thank you again to President Gulledge and the rest of the BOD for all of your support over the past 15 months or so. We will get through this and come out stronger than we ever were. Thank you.

REPORT TO BOARD OF DIRECTORS
From Finance Committee
As of June 24, 2021

Recommendations for BOD Approval:

1. **Motion-1:** Finance Committee recommends to the Board of Directors that the 2021-2022 draft budget for the General Fund, inclusive of council budgets, showing a total surplus of \$101,100 be approved.

Background: Finance Committee makes its recommendation based on a three-year budget cycle. Member programs can then be included in each budget year despite fluctuations in revenue streams, such as Expo royalties, continuous maintenance standards and the volume of the ASHRAE Handbook published each year. For 2018-19, 2019-20, and 2020-21 the surpluses/(deficits) are (\$297,100), \$893,200, and (\$349,700), respectively. The surplus/(deficit) for the three years combined nets a surplus of \$246,400. The committee will continue to look at the budgets in two to three-year increments watching trends and cycles to balance protection of Society's assets with providing member benefits. (Motion passed X-X-X CNV)

2. **Motion-2:** Finance Committee recommends to the Board of Directors that the 2021-2022 draft budget for the Research Fund showing total revenues of (\$3,684,600) and expenses of (\$3,684,600) be approved.

Background: The Research Fund proposed budget includes a transfer of 4% of the Research Reserve Fund portfolio value of as of 6/30/20, based on the needs of Research Administration Committee. The Rules of the Board require a minimum transfer of 4% of the portfolio value, and the Finance Committee may recommend a higher percentage up to 10% of the Research Reserve Fund portfolio value provided that the assets in the Research Reserve Fund are at least equal to the annual Research Fund expenditures. (Motion passed X-X-X CNV)

3. **Motion-3:** Finance Committee recommends to the Board of Directors that they approve a discretionary capital expenditure budget of \$200,000 for fiscal year 2021-2022.

Background: Historically includes ASHRAE HQ Expenditures for assets (computers, IT equipment, etc.). (Motion passed X-X-X CNV)

Information Items:

1. Status of Finance Committee MBO's

MBO 1 and 2:

- **MBO 1:** Finance Committee Adhoc Committee to develop a single standardized analysis form to be used for financial decision making and approval of all ASHRAE products and services. This form to include gross margin dollars, gross margin %, payback and other suitable metrics. An authorization policy and approval procedure to be developed for all of ASHRAE. The standardized form and authorization policy are to be recommended to the BOD for implementation across all of ASHRAE. The analysis and approval process should be in an electronic format and capable of being tracked. A training module to be developed for the analysis form and authorization policy.
- **MBO 2:** Finance Committee Adhoc Committee to study and propose reconfiguring/amending of the ASHRAE accounting system to automatically produce financial data (Reports and Graphs etc.), including gross margin in dollars and percentage and other metrics, for all products and services. The accounting system should be capable of data analysis of accounting, membership and other data in the system. The Adhoc committee will identify the types of data analyses required for ASHRAE and study, evaluate and recommend a suitable platform. A training module to be developed for users.
- **Assigned to:** Finance Committee Adhoc chaired by Presidential Member David Underwood included volunteers not on finance committee.
- **Status of MBO 1 and 2 (partially completed):**

Three tools were developed to assist in reaching assigned goals.

The tools developed include spreadsheets for gross margin (**Payback Tool**) analysis of all new and existing ASHRAE products and services, a spreadsheet to look at items to consider in all committees, councils and the Board (**Analytic Tool**), and finally a metrics spreadsheet to determine how to measure member benefits (**Member Benefit Tool**).

Recommendations:

1. Pilot all three tools during the next Society year and tweak as necessary with full implementation once they have been vetted.
2. Determine who should use the tools.
3. Develop training methods appropriate to tool users including CRC motions for Society as required.
4. The Payback and Member Benefit tools have greatest impact on our Society membership so these should be emphasized first.
5. The Analytics tool is more focused on staff functions and will be used more extensively by them.

6. The Analytics tool will provide objective automated data to assist in decisions about continuing or concluding some programs. The Finance Committee Ad Hoc report will be presented to the BOD with recommendations and fiscal impact.

Incoming Treasurer Ginger Scoggins has indicated that the work on the remaining parts of these MBOs will be continued.

See Attachment A for the Finance Committee Ad Hoc Report.

MBO 3 and 4:

- **MBO 3:** Update and revise format of the budget presentation to the BOD, making it more clear & focused for the BOD. A 'Dashboard' to be created showing relevant data pertaining to ASHRAE Finances. Dashboard to be available on the 7th day after the month close
- **MBO 4:** Study and review how overhead is allocated in ASHRAE financial documents. Recommendations to be prepared to allocate overhead to reflect the true performance of councils and committees. A policy be developed for cross committee / council charges, e.g. PEC publishes the journal which is a member benefit, the production cost is entirely borne by PEC whereas it should be charged to Members Council where the member benefit resides.
- **Assigned to:** workgroup chaired by Dennis Knight including Julia Keen, Don Brandt, William (Bill) Dean and Michael Cooper.
- **Status of MBO 3 and 4 (completed):**

Recommendations:

1. Software upgrade to integrate Microsoft BI with great planes to develop structured databases for real time retrieval of information required for decision making.
2. Develop financial dashboard to be prepared and circulated to the Board of Directors on a monthly basis.
3. Reallocation of overheads to more realistically reflect the financial position of councils and evaluate feasibility of programs.

Staff is looking at the implementation of the recommendations

See Attachment B for the Workgroup Committee Report.

2. Review of Investment Advisor Appointment.

Finance Committee recommended to EXCOM to hire a consultant to develop a RFP for sourcing and appointing an investment advisor. EXCOM approved the recommendation and a consultant is on board carrying out the assignment which is expected to take several months. In the interim finance committee approved the continuation of the present advisor until such time as a new investment advisor is appointed. The current investment advisor's appointment will be considered for reappointment.

See Attachment C for the Investment Sub Committee Report.

3. PPP Loans Nos. 1 and 2

PPP Loan No. 1 has been 100% forgiven in the amount of \$2,191,400 resulting in a budget surplus of \$ 1,844,700. We need to decide the utilization of funds. FC had recommended several options to the BOD including budget support, loan repayments and sweeping into reserves. Since the loan is forgiven and the second loan is likely to be forgiven FC needs to discuss holistically and bring forth recommendations for the BOD.

Respectfully Submitted

June 24, 2021
Date

Farooq Mehboob
ASHRAE Treasurer SY 2020-2021
Chair

Finance Committee Ad Hoc Report

June 11, 2021

Executive Summary

The Finance Committee Ad Hoc was assigned the task of developing a standardized analysis form to be used to automatically generate financial analytics for decision making including gross margin analysis of all ASHRAE products and services. To provide this information we were to study the effective use of our current accounting system and other ASHRAE data bases.

We were also requested to investigate the integration of activities with the information from action items 3 and 4 of the PEC reports from a year ago.

Our approach was to develop 3 tools to assist in reaching our assigned goals. The tools we developed include spreadsheets for gross margin analysis of all new and existing ASHRAE products and services, a spreadsheet to look at items to consider in all committees, councils and the Board, and finally a metrics spreadsheet to determine how to measure member benefits.

We were also asked to determine limits of authority for all committees and councils. We were unable to do this as we believe that the limits of authority often affect other bodies in ASHRAE and the determination of these are beyond our mandate and probably beyond the authority of the Finance Committee in some cases.

Background

The mandate for this ad hoc is to provide information for the Finance Committee to improve effective digitizing of its procedures as follows:

1. To develop a single standardized analysis form to be used for financial decision making and approval of all ASHRAE products and services. This form is to include gross margin dollars, gross margin %, payback and other suitable metrics including member benefits. An authorization policy and approval procedure is to be developed for all of ASHRAE. The standardized form and authorization policy are to be recommended to the BOD for implementation across all of ASHRAE. The analysis and approval process should be in an electronic format and capable of being tracked. A training module is to be developed for the analysis form and authorization policy.
2. To study and propose reconfiguring/amending of the ASHRAE accounting system to automatically produce financial data (Reports and Graphs etc.), including gross margin in dollars and percentage, and other metrics, for all products and services.

The accounting system should be capable of data analysis of accounting, membership and other data in the system. The Ad Hoc committee will identify the types of data analyses required for ASHRAE and study, evaluate and recommend a suitable platform. A training module is to be developed for users.

Methodology

The Ad Hoc has approached our mandated tasks as follows:

1. Form three groups to develop
 - a. A spreadsheet tool through interviews with all Society directors as to items that may have any financial information required to be useful in a margin analysis of any of our current Councils and Standing committees.
 - b. An analysis tool has been developed for use in proposing or sunsetting any ASHRAE activities. This spreadsheet will show a financial marginal analysis of the proposed or existing program.
 - c. A final piece is developing an analytical tool to measure member benefits from ASHRAE committee and council activities.
 - d. The financial tools will be investigated by the Finance Committee team in conjunction with a consultant to be sure our existing databases can be accessed to analyze each of these activities automatically without requiring any manual input by staff. We have received two proposals to automate these activities from our existing databases.
2. Develop an education program to introduce the activities from item one above to provide training for those using these reports.
3. Determining span of financial control allocated to Councils, Standing Committees, etc.
4. We plan to develop power point training videos for the combination spreadsheets for analyzing any potential new programs which includes financial analytics and an assessment of member benefits. A second power point education piece will be developed for existing analysis of existing programs which will also include member benefits.

Combining Action Items 1,2,3 and 4 from Pub/Ed streaming report

Action Item #1 – Recommend that Finance Committee adopt the use of a single analysis form across all ASHRAE products and services to include gross margin dollars, gross margin %, payback and other suitable metrics. An example of such a form can be found in Appendix A.

Action Item #2 – Recommend that Finance Committee reconfigure their accounting system to automatically produce financial data, including gross margin in dollars and percentage, for all products and services.

Action Item #3 – Adopt a product/service planning process that is market-driven. The process should be developed by a cross-council team and include marketing. To leverage ASHRAE strengths, the process should include the appropriate path(s) within ASHRAE to optimize the development and marketing of the product/service identified by the process.

Action Item #4 - Align products and services across ASHRAE boundaries while simultaneously developing suites or portfolios of products to meet market needs. Alignment shall include addressing pricing and costs, along with coordinating regional and Society delivery of products and services.

Training

Training will occur with active use of these three spreadsheets. To be useful Finance Committee will have to actively encourage their use. We recommend that Finance Committee select two or three committees of their choice to experiment with each of these tools and follow up and assist these committees with their use. The next phase would be to determine user satisfaction from both volunteers and staff before proceeding across Society.

Payback Tool:

The financial viability of a product or service is important for ASHRAE. It is necessary to have a tool that can be used across the society.

Initially we were asked to come up with an authority matrix but it was agreed that this is outside the scope of this Ad Hoc. It will be up to higher authorities to come up with the appropriate authorization levels for financial approval.

This form was developed taking previously designed tools and adapting them to include the necessary financial matrixes including gross margin and gross margin percentage in order to make better financial decisions for the society. It is based on a 7-year projection.

In order to make things easier for users, a dollar value per hour was assigned for staff and volunteer time (\$85/hr. staff and \$125/hr. volunteer) so that all that has to be entered is number of hours. The tool was developed to try and make it simpler, and allows for notes and/or comments to be added. The calculations are done based on the inputs provided.

Analytic Tool for Existing ASHRAE Councils and Committees

A spreadsheet is to be used to determine how easily it is to gather relevant financial data to provide information to make an informed decision on current and future programs that include gross margin dollars, gross margin %, payback and other suitable metrics.

This subcommittee, through the development of a Financial Matrix spreadsheet and interviewing numerous key ASHRAE staff members, have a better understanding of the existing systems and programs in place and the lack of high maintenance programs that are currently being used. This information will be used to propose reconfiguring/amending the ASHRAE accounting system to automatically produce financial data (Reports and Graphs etc.), including gross margin in dollars and percentage and other metrics, for all products and services.

The proposed revisions to the accounting systems should also allow better tracking of membership, program and product usage, diversity and social interaction data for better decision making.

Financial Matrix has been developed to track key comparators in each category and were matched to leading and lagging indicators. These were reviewed by the following areas of ASHRAE:

1. Publications
2. Education
3. Membership
4. Technology
5. Conferences
6. Development

The Ad Hoc committee has identified various concerns as follows:

1. There are several software programs that provide financial information.
2. Some are third-party, some inhouse and some are spreadsheets manually gathered by staff members.
3. Through these various programs and software, with a large portion of manual manipulation, we have been able to get more and more data. However, staff time is often wasted to gather this information.
4. There are opportunities to gather more information from our third-party partners and with upgrades to our internal software programs, including membership sales, marketing and sponsorship statistics.
5. Software and payback information could reduce manual data collection processes, development and maintenance of manual spreadsheets with development of integrated reporting.
6. Staff time is not tracked to the hour for each area or task, however, regular review of % of time spent is broken out for each employee.
7. Volunteer hours are not tracked & would be impossible except for small projects.
8. Staff & volunteer travel expenses have their own GEO code so are easily tracked.

9. Gross Margins can be provided for most categories while some areas are lacking and require multi programs and spreadsheets to gather data.
10. There is a great potential for more revenue if our financial software can help with data gathering and reporting.

Member Benefit Tool

While it is critical that ASHRAE maintain its strong financial position, it should embark on many programs that do not generate financial gain for the society but instead add value to its membership and to society at large. For example, the very successful Epidemic Task Force has yielded great results for ASHRAE and provided critical knowledge for society. By every measure (other than financial) the program is a resounding success.

Hence, there needs to be a way to recognize that a proposed program can add member value so that this can be taken into consideration by those who must approve new programs. As a corollary to this point, it is critical that the selection process be transparent to all members that at the time a new product or service is being implemented, there is a clear understanding that it may not be “profit” generating.

Measuring intrinsic value is difficult as it is by nature an opinion of the user what the value is worth. The team agreed to use a set of eight ***Dimensions***, consistently applying them to all programs to ascertain where value is being added. This approach is commonly used when performing market surveys on products to gain an understanding of what the customer values and to be able to put two opportunities side by side and see which one creates more overall value.

How the questions are asked can greatly influence how the user will answer. If the user thinks they need to score everything a “5” to get their idea approved they will likely bias their score.

To minimize this effect, the questions have been phrased in a ***Semantic*** way rather than the more common ***Likert*** way. A Likert question would be like “on a scale of 1 to 5, does your program align with the ASHRAE strategic plan?”. A semantic way of asking the same question would be “With regards to the initiatives of the 2019-2024 Strategic Plan, this product/service is: Independent area of focus directly supporting”.

The dimensions are (currently) all weighted evenly. It is important that all programs using this tool to be considered for approval use an identical tool so they can be compared side by side. It is understood that some programs will score better in certain dimensions and worse in others. Changes to the tool (once it is piloted) should be limited and only occur annually (no changes within a budget cycle).

The 8 dimensions have been built into a ***Scorecard*** excel (ASHRAE Dimensions Workbook Rev 4.xls) workbook that can be quickly filled out by the user. The score

calculates automatically on a separate tab. There is an opportunity for the user to add comments for each dimension and to add overall comments independent of the dimensions.

Budgeting for Tool Development and Use

ASHRAE currently uses Great Plains (GP) for our accounting system with reporting tools Report Manager and Jet Reports. These provide our current monthly Balance Sheet and Income and Expense statements on a monthly basis. This data can be accessed by Power BI reporting.

Net Forum (NF) is the program that manages our membership database.

GP and NF are written in the same language. Our outside consultant will be able to use the information from the Pub/Ed report to be automated this year. The cost is approximately \$42,000.00.

To develop similar programs for automation of the other Council reporting systems would be approximately \$120,000.00.

Recommendations

1. Pilot all three tools during the next Society year and tweak as necessary with full implementation once they have been vetted.
2. Determine who should use the tools.
3. Develop training methods appropriate to tool users including CRC motions for Society as required.
4. The Payback and Member Benefit tools have greatest impact on our Society membership so these should be emphasized first.
5. The Analytics tool is more focused on staff functions and will be used more extensively by them.
6. The Analytics tool will provide objective automated data to assist in decisions about continuing or concluding some programs.

Appendixes

Appendix A – Payback Spread Sheet

Appendix B – Analytic Spread Sheet (Existing Programs etc.)

Appendix C – Member Benefit Tool

Appendix D – Software Systems Used

Appendix A

ASHRAE Product/Service Payback Analysis Form

Jun-21

NAME OF PRODUCT/SERVICE									
Year		TOTAL	1	2	3	4	5	6	7
Cost to Develop									
Direct staff labor (no of hours) based @	\$ 85.00	\$ 85.00	1.0						
Direct volunteer cost (no of hours) based @	\$ 125.00	\$ 250.00	2.0						
Promotion		\$ 50.00	\$ 50.00						
Materials		\$ 60.00	\$ 60.00						
Commissions		\$ 70.00	\$ 70.00						
Shipping/Postage		\$ 80.00	\$ 80.00						
Meeting/Training Costs		\$ 90.00	\$ 90.00						
Travel Staff		\$ 100.00	\$ 100.00						
Travel Volunteer		\$ 110.00	\$ 110.00						
Dev/Outside Services		\$ 120.00	\$ 120.00						
Other/Misc.		\$ 130.00	\$ 130.00						
TOTAL COST TO DEVELOP		\$ 1,145.00	\$ 810.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Financial Metrics									
Revenue									
Gross Margin from sales (\$)									
Gross Margin from sales (%)		#DIV/0!							
Target Gross Margin (%)									
Potential Metrics									
Depreciation \$ Amount									
Depreciation time (years)									
Pay Back (Years)		#DIV/0!							

just input no of hours

just input no of hours

marketing

for outside sales agencies

FINANCIAL ANALYTICS - ASHRAE PROGRAMS & ACTIVITIES

Appendix B

Education							
MATRIX KPI	ALI	Training--How different from ALI?	eLearning	Global Training Center	Certification	DL Program	Comments
Key Comparator	COURSE VS COURSE YEAR OVER YEAR REVENUE	COURSE VS COURSE YEAR OVER YEAR REVENUE	COURSE VS COURSE YEAR OVER YEAR REVENUE	COURSE VS COURSE YEAR OVER YEAR REVENUE	NUMBER OF EXAMS # of CERTIFICATIONS	# of Talks Per Travel Expense PreCOVID Post COVID	COMMITTEE's have a large budget and do not formally have tools to track funds, expenses and revenues
Leading or Lagging Indicators	Stephanie Reiniche / Mark Owen	Stephanie Reiniche / Mark Owen	Stephanie Reiniche / Mark Owen	Stephanie Reiniche / Mark Owen	Stephanie Reiniche / Mark Owen	Joyce Abrahams	
Total Annual Expenses	Exists Being capture in its own PNL		Exists	Exists	Exists	Medium	
Total Annual Revenues	Easy	Easy	Easy	Easy	Easy		
Staff Expenses	Very Easy	Difficult	Very Easy	Very Easy	Very Easy	Medium	
Over Head Staff Allocation	Very Easy	Difficult	Very Easy	Very Easy	Very Easy	Medium	Allocated based on how much labor is allocated to a program
ExCom BOD Expenses/ Overhead	Very Easy	Difficult	Very Easy	Very Easy	Very Easy	Medium	Allocated based on how much labor is allocated to a program
Development Time Staff (Fixed Cost)	Difficult to separate by course or event	Difficult to separate by course or event	Difficult to separate by course or event	Difficult to separate by course or event	Difficult to separate by certification	NA	Check with Craig on Fixed cost vs Variable costs
Development Volunteer (Fixed Cost)	Difficult	Difficult	Difficult	Difficult	Difficult	Difficult	Check with Craig on Fixed cost vs Variable costs
Maintain Time / Life Cycle Cost vs Revenue	Medium	Medium	Medium	Medium	Medium	Medium	
Demographics of attendees	Medium	Medium	Difficult	Medium	Medium	Difficult	Difficult but mostly obtainable via Net forum report. Depends on product and what is collected from customer data.
Instructors	Easy--tracked by staff.	Easy--tracked by staff.	Special third parties	Easy--tracked by staff.	badging. Set up as a member benefit. Currently not financially viable. There is a	Some DL's get Honoraiams	Pay instructor that presents contract
Gross Margin	Easy--in financials	Easy--in financials	Easy--in financials	Easy--in financials	Easy--in financials	NA	
Sales of each Product	Medium--staff tracks.	Medium--staff tracks.	Medium--from eLearning platform	Medium--staff tracks.	Medium--staff tracks.	NA	
Cost Revenue for each Product	Difficult because of cost part	Difficult because of cost part	Medium--mostly direct. Volunteer costs difficult.	Difficult because of cost part	Medium--mostly direct. Volunteer costs difficult.	NA	
3rd Party Expenses	Identifying line items difficult; must be tracked by staff.	Identifying line items difficult; must be tracked by staff.	Identifying line items difficult; must be tracked by staff.	Identifying line items difficult; must be tracked by staff.	Identifying line items difficult; must be tracked by staff.	NA	
Other Outside Expenses	Difficult--must consult with Publishing Services for cost for each product.	Difficult--must consult with Publishing Services for cost for each product.	Difficult--must consult with Publishing Services for cost for each product.	Difficult--must consult with Publishing Services for cost for each product.	Difficult--must consult with Publishing Services for cost for each product.	Paid by Chapter	
Staff Travel Expenses	Overall easy--on financials. Line items difficult.	Overall easy--on financials. Line items difficult.	Overall easy--on financials. Line items difficult.	Overall easy--on financials. Line items difficult.	Overall easy--on financials. Line items difficult.	Part of CTC program	
Volunteer Travel Expenses	Overall easy--on financials. Line items difficult.	Overall easy--on financials. Line items difficult.	Overall easy--on financials. Line items difficult.	Overall easy--on financials. Line items difficult.	Overall easy--on financials. Line items difficult.	Easy (CTTC)	eLearning is serviced by third party. eLearning, Global eLearning, Certification all registrants in net form so easy to gather revenue info and some
SOFTWARE							Can our software get this information?
Specialty Software	Great Plains & Microsoft Power VI	Great Plains & Microsoft Power VI	Great Plains & Microsoft Power VI	Great Plains & Microsoft Power VI	Great Plains & Microsoft Power VI	Great Plains & Microsoft Power VI	Our software get all this information?

INTRODUCTION

Not all new ASHRAE products and services need to be financially successful but they must add value for the members and society at large.
 The ASHRAE score card is used to evaluate how and where a potential new product or service can add value that will not be measured financially.
 This form should be filled out for all proposed programs.
 The scorecard will be used to recognize how a program adds non financial value and to help prioritize ASHRAE activities.

HOW TO USE THIS FORM

The Scorecard has 8 dimensions. Pick the value that best indicates where the proposed product or services fits v
 Additional notes can be added (but are not required) for each dimension
 Additional notes can be added at the bottom of the form (but are not required) for details not covered by the dimensions.

SCORECARD

DIMENSION		ADDITIONAL COMMENTS
1	With regards to the initiatives of the 2019-2024 Strategic Plan, this product/service is: Independent area of focus Directly Supporting <div style="display: flex; justify-content: space-between; width: 100%;"> 12345 </div> <div style="display: flex; justify-content: space-between; width: 100%;"> <input type="radio"/><input type="radio"/><input type="radio"/><input checked="" type="radio"/><input type="radio"/> </div>	
2	Non members of ASHRAE will view this project/service as: Valuable mainly to the owners and practitioners of HVAC&R A significant contribution to Society, generally. <div style="display: flex; justify-content: space-between; width: 100%;"> 12345 </div> <div style="display: flex; justify-content: space-between; width: 100%;"> <input type="radio"/><input type="radio"/><input type="radio"/><input checked="" type="radio"/><input type="radio"/> </div>	
3	For ASHRAE Members, this product/service provides : Topic-specific guidance, technical tools, or information Professional Growth Opportunity or career skill development <div style="display: flex; justify-content: space-between; width: 100%;"> 12345 </div> <div style="display: flex; justify-content: space-between; width: 100%;"> <input checked="" type="radio"/><input type="radio"/><input type="radio"/><input type="radio"/><input type="radio"/> </div>	
4	Professionals in our industry would find this product or service: A general benefit to the HVAC&R industry A valuable and exclusive benefit of ASHRAE membership <div style="display: flex; justify-content: space-between; width: 100%;"> 12345 </div> <div style="display: flex; justify-content: space-between; width: 100%;"> <input type="radio"/><input checked="" type="radio"/><input type="radio"/><input type="radio"/><input type="radio"/> </div>	
5	This product or service would: Be used as a technical resource Drive members to be more active in ASHRAE Activities/Committee <div style="display: flex; justify-content: space-between; width: 100%;"> 12345 </div> <div style="display: flex; justify-content: space-between; width: 100%;"> <input type="radio"/><input type="radio"/><input type="radio"/><input type="radio"/><input checked="" type="radio"/> </div>	
6	This focus of this product or service: Supports and area where ASHRAE is the accepted leader Is of strong interest to organizations outside of ASHRAE <div style="display: flex; justify-content: space-between; width: 100%;"> 12345 </div> <div style="display: flex; justify-content: space-between; width: 100%;"> <input type="radio"/><input type="radio"/><input checked="" type="radio"/><input type="radio"/><input type="radio"/> </div>	

7 Development of this product or service
Creates new offering in ASHRAE's portfolio of products/services. Builds upon or enhances existing ASHRAE products or services

1	2	3	4	5
<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

8 This product or service serves
Existing market where ASHRAE is a leader A new or underserved market

1	2	3	4	5
<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

ADDITIONAL COMMENTS

Systems

- Accounting
 - Microsoft Dynamics GP (“GP”)
- Association Management System
 - Abila netFORUM (Community Brands)
- Financial Reporting
 - MS Dynamics Management Reporter
- External Systems/Websites/Reports
 - Banking
 - Interface Banking Activity with GP
 - Payroll
 - Interface Payroll with GP
 - Inventory
 - PBD Smart Reports

Tax – Prepared & Reviewed by Outside Auditors – Jones & Kolb
Schedules prepared from GP, RM & Excel

Month-End Closing

Balance Sheet

- Assets
 - Cash
 - Bank Account Reconciliations Truist & United Community Bank – Online Access
 - Accounts Receivable
 - Reconcile NetForum Accounts Receivables subledgers to MS Dynamics GP General Ledger
 - Bad Debt Allowance-Excel-Calculate by Due Dates greater than 60 day
 - Inventory – PBD-Smart report to access inventory & receipts reports
 - Investments-Schwab & Oakbridge Management
 - Adjust to FMV monthly – Investment Advisor monthly performance (website)
 - Prepays – GP running totals
- Liabilities
 - Accounts Payable-GP- all checks & EFT's generated and uploaded to Truist
 - All other liability accounts are reconciled monthly -Net Forum – detail Deferred Revenue is an example of data reviewed.

Month-End Closing

Revenue

- netFORUM interface
 - Membership Dues, Courses, Advertising, Events, Certain Product Sales, Certifications, Donations, Special Projects, Merchandise, Sponsorships- performs Revenue Recognition for Current and Deferred – Summary Journal Entry into GP
- ASHRAE Website Bookstore transactions
 - Monthly spreadsheet of transactions; Journal Entry (TechStreet/Clarivate Analytics)
 - Subscriptions (Royalties); Journal Entry
- e-Learning – online course fees (Web Courseworks); Journal Entry
- Technology and Std. 90.1 Portal – Handbook PDFs, papers, articles, reports (iEngineering)
- Royalties – Publication/App sales through various resellers (Amazon, Apple iTunes, Elsevier, etc. – no sales product/customers data provided to Accounting), Handbook Online (iEngineering)
- Manual Revenue Recognition entries
- Revenue recognized/payment received in advance recognized in the month service is provided

Month-End Closing

Expenses

- Primarily recorded through payables-Staff completes an Electronic Disbursement Form and then they are entered into GP
- COGS/Inventory (PBD)
 - Order Fulfillment from ASHRAE Website Bookstore and netForum
 - Storage of Inventory (primarily Publications)
 - Report from Pub/Ed and Smart Reports (PBD) – inventory levels, sales info of shipped products
- Payroll Interface – Paycom – Summary Journal Entry
- Credit card charges (actuals from merchant statement, reconcile to bank statements and allocate based on actual revenue recognized)
- Accrue advertising commission expense (20%) – match to recognized (invoiced) revenue; end of fiscal year true-up
- Monthly Accruals and Prepaid Expense Amortizations
- Depreciation (fixed asset module in GP)
- Taxes/Benefits Allocation (based on labor dollars)
- Overhead/BOD expense allocation (based on labor dollars)



ASHRAE Finance Committee
MBO 3 and MBO 4 Workgroup
Report to Finance Committee

Date: January 20, 2021

Workgroup Members:

Dennis Knight

Julia Keen

Don Brandt

William (Bill) Dean

Michael Cooper

Executive Summary

This workgroup was assigned by Treasurer Farooq Mehboob to review the issues raised and outcomes being sought by Finance Committee SY 2020-2021 MBO Numbers 3 and 4. We worked closely with Craig Wright, ASHRAE Director of Finance, to develop the recommendations for the changes and adjustments to current policies and procedures contained in this report. In addition, Presidential Member Tim Wentz served as a liaison between our Workgroup and the Finance Committee Ad Hoc working on MBO Numbers 1 & 2 and the Society Streamlining Ad Hoc to help us coordinate and harmonize our work with the work of others in ASHRAE.

The Workgroup initially gathered information and communicated via email. We held virtual meetings on December 4th, December 18th and on January 15th. During the first two calls we reviewed numerous Key Performance Indicators (KPIs) that may be of benefit to the Board of Directors and Finance Committee and empower them to make better decisions in the future. Between the December 18th and January 15th calls we subdivided the Workgroup into two teams of two people. Don Brandt and Bill Dean worked on MBO 3 and produced the draft dashboards attached to this report. Julia Keen and Michael Cooper worked on MBO 4 and consolidated the information we had received from Craig Wright during our first two calls and based on that information, produced the recommendations in the report on how we should consider modifying our time and cost accounting to better track overhead.

As with any endeavor in ASHRAE, it takes a team of passionate and committed volunteers and staff to accomplish the work of Society and keep us on the path toward continuous improvement. This effort has been no different. The heavy lifting required to get to the point of making the recommendations herein have been done by Julia, Michael, Don and Bill with many thoughtful and constructive comments from Craig and Tim. Many thanks to them for the many hours and creative thought they have donated to ASHRAE to produce this work product. The following is our report.

MBO-3:

Update and revise format of the budget presentation to the BOD, making it clearer & more focused for the BOD. A 'Dashboard' to be created showing relevant data pertaining to ASHRAE Finances. Dashboard to be available on the 7th calendar day after the month closes.

Discussion:

The current Treasurer's presentation contains numerous charts and graphs displaying various key performance indicators (KPIs) and financial trends. The new dashboard proposed in this report includes some of the KPIs traditionally shown in the presentation and proposes some new KPIs that may benefit the BOD's work to manage the finances of ASHRAE. Once FC and the BOD agrees on the KPIs and dashboard content they would like to see – we will revise the Treasurer's presentation as needed to include any new KPIs or updated content.

ASHRAE's current accounting process relies on internal accounting software as well as reports from third party vendors that manage various aspects of our business such as payroll, the bookstore, etc. To gather this data and produce our Statement of Financial Position (equivalent to a balance sheet for a for-profit corporation), Statement of

Activities (equivalent to an income statement for a for-profit corporation), and the Cash Flow Statement requires our accounting staff to manually collect and aggregate the data from the multiple sources to produce the reports the BOD typically receives throughout the year. Due to the amount of data collection and time required to manually produce the reports, they are typically not closed on the same day. This makes it impossible for anyone doing typical financial management calculations to reconcile the three reports. Reconciled reports are often only produced once per year to prepare our tax returns and to produce the annual report that appears in the Insights publication well after the close of our fiscal year on June 30th.

Recommendations:

1. ASHRAE either invest in accounting software that can gather financial information and track and analyze our financial inputs and outputs (revenues and expenses) and assets in such a manner that our Statement of Financial Position, Statement of Activities, and the Cash Flow Statements can be all be run and reported in real time at any time of the year (at the same time); or, that we work with our outside vendors and internal IT department to use existing software tools such as Microsoft BI along with a highly structured set of data bases containing data from our internal software and external sources to produce the same results described herein.
2. Historical financial information and KPIs be published in the form of a graphical dashboard like the dashboard shown in Attachment “A” to this report. The dashboard should be updated and made available to the BOD at least monthly if our accounting system cannot provide the information in real time reports that can be accessed by Board members at will. Several departments and councils within ASHRAE have been publishing dashboards on a regular basis for some years now (Membership, Marketing and Publications and Education (PubEd)). The dashboard shown in Attachment “A” was modeled after the most recent dashboard produced by PubEd. Graphical dashboards allow financial information to be better and more quickly comprehended by busy executives and non-financial managers (technical professionals such as engineers) who may not be used to diving deep into financial reports. They also create a common language among Board members, encourage engagement of more people in the financial management of the organization which can lead to better financial decisions and better governance.

MBO-4: Study and review how overhead is allocated in ASHRAE financial documents. Recommendations to be prepared to allocate overhead to reflect the true performance of councils and committees. A policy be developed for cross committee / council charges, e.g., PEC publishes the journal, which is a member benefit, the production cost is entirely borne by PEC whereas it should be charged to Members Council where the member benefit resides.

Discussion:

As ASHRAE attempts to streamline for effectiveness, tracking program success is an area of focus. One measure of success for programs and initiatives is better tracking of

fiscal impact. There are many programs that are developed that are not intended to serve as revenue generators, but other programs must be revenue generators to supplement these budget expenditures. A challenge has presented itself as part of this process – ASHRAE cannot not clearly quantify the direct and indirect (OH) expenses associated with individual programs because many of the expenses are not recorded in a manner that allow for this level of accounting. Note: Accounting does track certain programs. Whether a program is tracked depends on if they are/were set up in our Accounting system. For example, within Pub/Ed Council, we track Education Programs and within Education, we track Self Directed Learning, Foundation Learning Center courses, etc.) Accounting does not routinely provide this information unless it's requested because, and historically it has never been requested by the BOD or Finance Committee. The recommended methodology and process for documenting the expenses related staff time and overhead are outlined below. These changes will result in minor adjustments of procedure for some departments while others will experience a greater cultural shift. This change is important in allowing ASHRAE to make more informed decisions since a significant portion of ASHRAE budget is allocated to staff salaries. The way this resource is expended is critical to understand. Below is the process for categorization of Expense (Cost of work) versus overhead. These rules are to be taken in conjunction with proper time keeping by category.

Definitions:

Expense – Employee time and other costs that is directly attributed to the department or program identified.

Overhead – Employee time and other costs that is incurred that is not directly attributed to a singular program.

Process:

All employees are set up initially in a “base” department depending on the Director they report. Any additional costs associated with the employee including burden or other forms of compensation follow the employee.

Expense departments are as listed below:

- Councils
 - Members
 - Administration (Labor, Travel, Other expenses for Society meetings)
 - Committees
 - Programs
 - Publishing and Education
 - Administration
 - Committees
 - Programs
 - Technology
 - Administration
 - Committees
 - Programs

- Executive Committee
 - College of Fellows
 - Development - Capital Campaigns
 - Foundation
 - Joint Expo
 - Life Members
 - PEAC
 - President/President Ad-Hoc
 - Scholarship
- BOD
 - Administration
 - Building EQ
 - Finance
 - Planning
 - Society Rules
 - Nominating
 - BOD Ad-Hoc

Overhead Departments are as listed below:

Administrative Services
 Accounting
 Human Resources
 IT (network, desktop support, development for Association Management System (“AMS”) and in-house projects/reporting/maintenance)
 Data Center/Systems Management (AMS maintenance/data entry)
 Building/Facilities Operations (all building costs including depreciation)
 Company Staff Support (administrative)
 Member support at the Region/Chapter level for technical (IT) and/or compliance (taxes/government regulations – Accounting)
 Marketing/Website support
 Washington D.C. Office

Recommendations:

1. “Overhead” departments should charge to “Expense” departments to reflect work completed within those portions of the organization to provide a clear picture of expenses and resources allocated with individual programs. Note: Staff in Overhead/BOD departments can charge their time to whatever project/program they are working on outside of their base department
2. Additional categories or accounting codes may be generated to provide more areas for tracking costs for Overhead expenses not listed above.
3. As part of the monthly closing process, the Accounting Manager will generate a monthly report (spreadsheet) that shows labor dollars by department/program which is then interfaced into the ASHRAE accounting system.

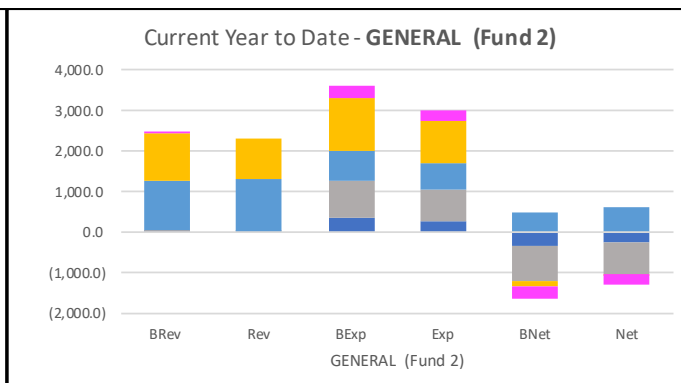
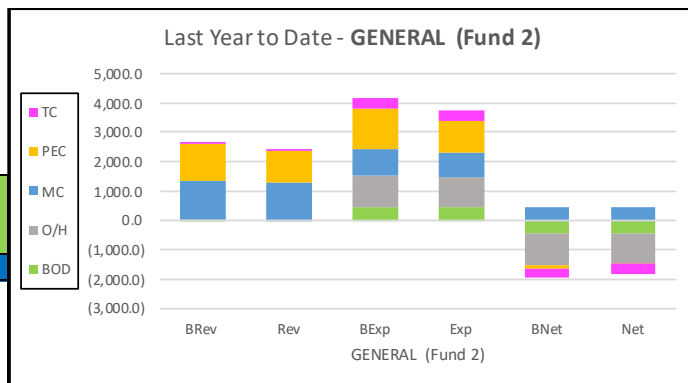
4. As part of the monthly closing process, the last step is to run the Overhead allocation process. This process/procedure takes the monthly totals in the Overhead expense and allocates them to all non-Overhead cost centers as a percentage of costs. Accounting allocates the total overhead costs based on the percent of direct labor expense charged to the non-overhead cost center. This not only applies to the General Fund, but dollars are also allocated to the Research Fund department using the same basis of allocation (labor dollars Note: we recommend that OH be broken out for each council and committee on each Tab of the monthly financials and subtotaled so that a department, council, or committee's gross margin can be readily seen on the report. In addition, for the general and consolidated financial statements we recommend the direct labor (expense defined above) and overhead labor as well as direct and indirect non labor expenses be shown so that OH can be tracked and trended as a KPI directly from those two reports.



General Fund Dashboard

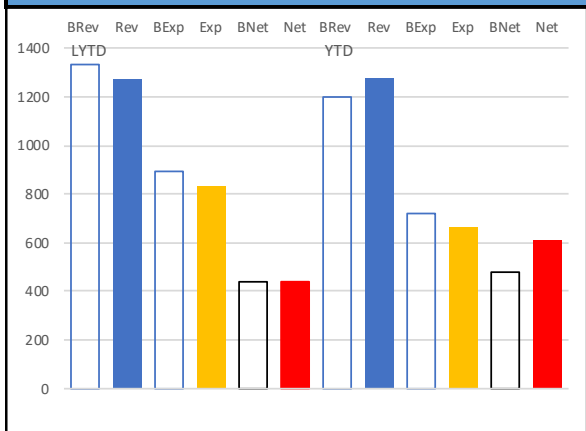
End of August 2020

LEGEND:
BRev = Budgeted revenue;
Rev = Actual revenue;
BExp = Budgeted expense before OH&BOD;
Exp = Actual expense before OH&BOD;
BNet = Budgeted net;
Net = Actual net;
LYTD = last fiscal year to date; **YTD** = current fiscal year to date; **Diff** = Difference between LYTD and YTD, either percentage or dollars. **Data source** = Financial statements (roll-ups for BOD, Overhead, MC, PEC, TC). Values = US\$ x1000.



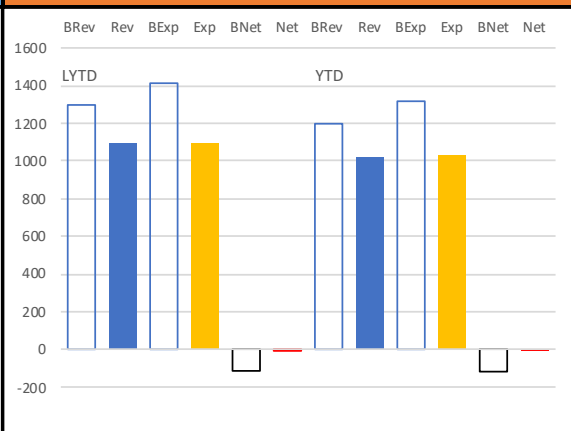
	Last Year to Date							Current Year to Date						
GENERAL (Fund 2)	BOD	O/H	MC	PEC	TC	Total	BOD	O/H	MC	PEC	TC	Total		
BRev	1.9	2.2	1,331.8	1,297.1	30.0	2,663.0	2.7	50.2	1,198.4	1,197.4	8.9	2,457.6		
Rev	0.0	2.1	1,272.5	1,091.9	22.8	2,389.3	0.0	13.4	1,274.0	1,019.5	0.0	2,306.9		
BExp	475.1	1,043.1	892.7	1,412.6	344.0	4,167.5	335.8	923.1	719.7	1,316.8	306.9	3,602.3		
Exp	442.6	1,044.6	833.0	1,094.2	333.1	3,747.5	250.2	783.7	663.7	1,028.9	282.3	3,008.8		
BNet	(473.2)	(1,040.9)	439.1	(115.5)	(314.0)	(1,504.5)	(333.1)	(872.9)	478.7	(119.4)	(298.0)	(1,144.7)		
Net	(442.6)	(1,042.5)	439.5	(2.3)	(310.3)	(1,358.2)	(250.2)	(770.3)	610.3	(9.4)	(282.3)	(701.9)		

Members Council



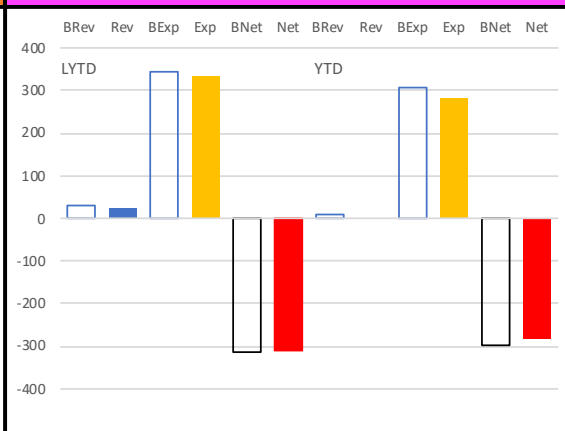
MC	LYTD	YTD	Diff. vs. LY
BRev	1,331.8	1,198.4	-10%
Rev	1,272.5	1,274.0	0%
BExp	892.7	719.7	-19%
Exp	833.0	663.7	-20%
BNet	439.1	478.7	9%
Net	439.5	610.3	39%
Margin	34.5%	47.9%	39%

Publishing and Education Council



PEC	LYTD	YTD	Diff. vs. LY
BRev	1,297.1	1,197.4	-8%
Rev	1,091.9	1,019.5	-7%
BExp	1,412.6	1,316.8	-7%
Exp	1,094.2	1,028.9	-6%
BNet	(115.5)	(119.4)	3%
Net	(2.3)	(9.4)	309%
Margin	-0.2%	-0.9%	338%

Technology Council




TC	LYTD	YTD	Diff. vs. LY
BRev	30.0	8.9	-70%
Rev	22.8	0.0	-100%
BExp	344.0	306.9	-11%
Exp	333.1	282.3	-15%
BNet	(314.0)	(298.0)	-5%
Net	(310.3)	(282.3)	-9%
Margin	-1361.0%	#DIV/0!	#DIV/0!

MEMBERS COUNCIL (2-2nn & 2-8nn)

PUBLISHING & EDUCATION COUNCIL (2-4nn & 5-5nn)

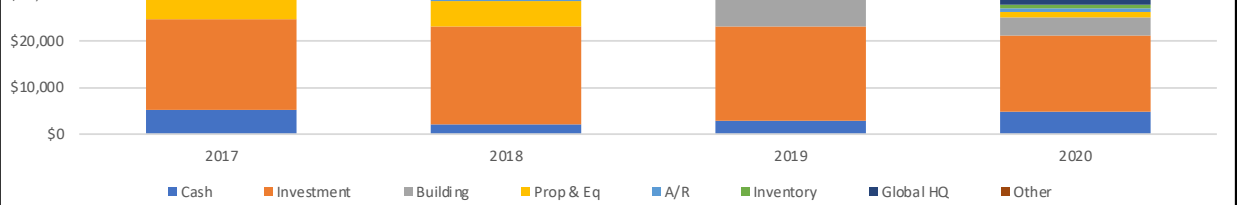
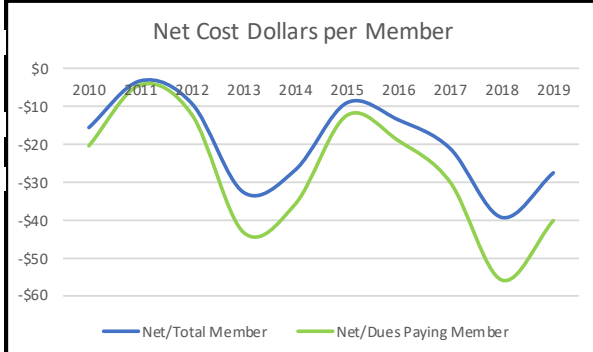
TECHNOLOGY COUNCIL



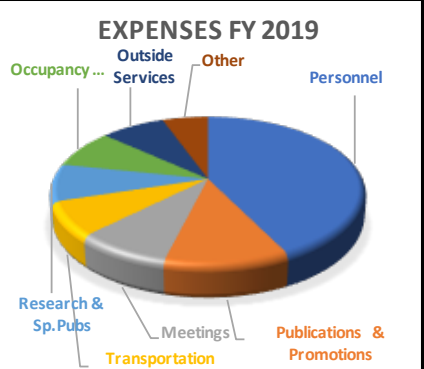
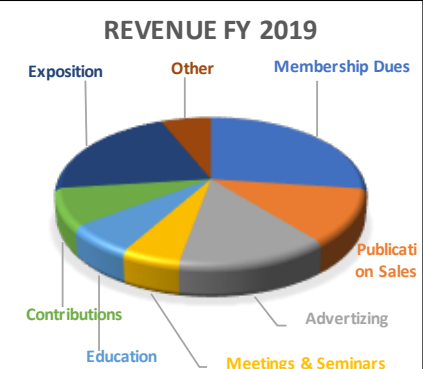
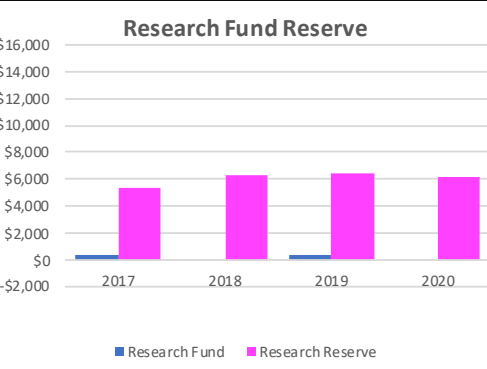
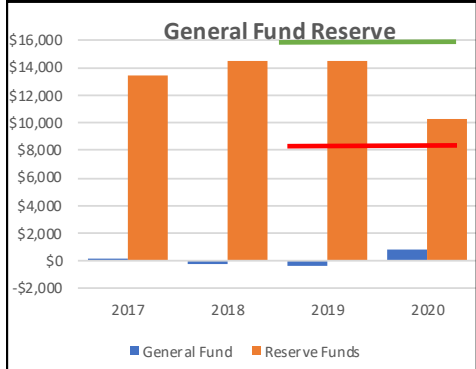
Treasurer's Report

As of May 2020

Composition of Assets



Assets	Cash	Investment	Building	Prop & Eq	A/R	Inventory	Global HQ	Other	Total
2017	\$5,293	\$19,282		\$5,498	\$829	\$642		\$619	\$32,163
2018	\$2,100	\$20,889		\$5,455	\$772	\$614		\$652	\$30,482
2019	\$2,891	\$20,290	\$5,779	\$1,176	\$1,009	\$649	\$5,078	\$553	\$37,425
2020	\$4,655	\$16,631	\$3,800	\$988	\$709	\$828	\$13,600	\$354	\$41,565



Reserve Fund	General Fund	Reserve Funds	General Fund Range Information	Research Reserve Fund	Research Fund	Research Reserve
2017	\$29	\$13,489	Annual Exp.	\$24,000	2017	\$362
2018	-\$223	\$14,460	2/3	\$16,000	2018	\$0
2019	-\$351	\$14,485	1/3	\$8,000	2019	\$386
2020	\$872	\$10,280			2020	\$0

Revenue		Expenses	
Membership Dues	\$7,780	Personnel	\$12,224
Publication Sales	\$3,448	Publications & Promotions	\$3,239
Advertizing	\$3,958	Meetings	\$2,478
Meetings & Seminars	\$1,548	Transportation	\$2,169
Education	\$1,861	Research & Sp.Pubs	\$2,338
Contributions	\$2,380	Occupancy & Office	\$2,397
Exposition	\$5,976	Outside Services	\$2,243
Other	\$1,770	Other	\$1,586

Notes: All funds in \$US x1000
 Additional Financial Notes

Definitions:

Finance Investment Subcommittee Report

June 11, 2021

Investment Subcommittee Members: Julia Keen (chair), Bill McQuade, Michael Cooper

Staff Liaison: Annmarie Wilhoit (staff)

Motions -

None

Information Items –

1. Investments

The Oakbridge general and reserves fund portfolio overview reports through May 31, 2021 are attached to the agenda. Due to the Finance meeting occurring earlier than usual, the Oakbridge written narrative regarding the performance is not ready and will be provided at a later date.

Research balance is \$6,800,435 with a portfolio performance of 28.9% fiscal year to date (above the benchmark of 26.3%).

General balance is \$13,755,938 with a portfolio performance of 29.9% fiscal year to date (above the benchmark of 26.3%).

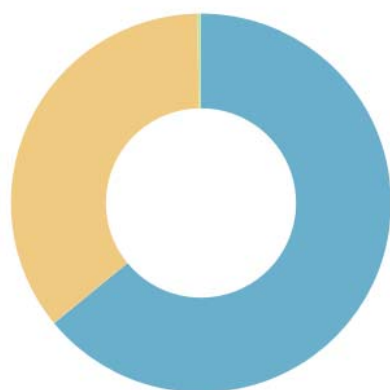
2. Selection of a Financial Advisor Status

Based on the positive vote from Finance for the motion to hire the consultant John Langan with Clifton Larson Allen, the motion was presented to ExCom. They approved the motion and the consultant was secured via contract.

The Investment Subcommittee has had their first meeting with the consultant and have provided him with the documents requested to allow him to better understand ASHRAE's financials. He is in the process of composing an RFP from which potential financial advisors will be invited to submit proposals (the current advisor, Oakbridge, will be included on this list). The subcommittee will be reviewing/discussing the consultant developed RFP with the consultant at a meeting scheduled for June 18. The process will follow the outline presented in the proposal at the April Finance meeting. It is expected that the selection process and work with the consultant will not be complete until August. At the completion of the process, the subcommittee will present their recommendation to Finance for their approval.

PORTFOLIO OVERVIEW

Asset Allocation



Asset Class	Current Value	Current Percent
Equity Mutual Funds & ETFs	8,814,575	64.1%
Fixed Income Mutual Funds & ETFs	4,897,822	35.6%
Cash Equivalents	43,541	0.3%
Total	13,755,938	100.0%
Unmanaged Assets	849,116	6.2%
Managed Assets	12,906,822	93.8%

Current Allocation

Portfolio Analysis

	Calendar YR (5/31)	Fiscal YTD	Inception to 5/31/2021
Start Value	11,604,247	11,609,573	0
Contributions	2,875	9,342,038	39,631,669
Withdrawals	0	(11,193,503)	(39,925,428)
Capital Appreciation	1,249,713	2,968,349	9,239,463
Net Income	49,987	180,365	3,961,117
Ending Value	12,906,822	12,906,822	12,906,822
Investment Gain	1,299,700	3,148,714	13,200,580
Portfolio Return (Net TWR)	11.2%	29.9%	6.7%
Benchmark	8.1%	26.3%	6.5%
S&P 500 Composite	12.6%	37.6%	8.2%
Russell 1000 Value	18.4%	45.3%	7.7%
Russell 2000	15.3%	58.9%	9.3%
MSCI EAFE (TR) Gross	10.4%	34.4%	5.8%
ICE BofA 1-Year US Treasury Note	0.1%	0.2%	-
Bloomberg Barclays US Aggregate	(2.3%)	(1.0%)	4.6%

Returns for periods exceeding 12 months are annualized.



ASHRAE General/Pledged Account
As of May 31, 2021
Inception Date: February 26, 2001

Portfolio Holdings

Weight	Description	Symbol	Quantity	Cost Basis	Current Value
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Managed Assets

Equity Mutual Funds & ETFs

Equity Mutual Funds

Large Cap Blend:

9.6%	DFA U.S. Large Co	<2>	DFUSX	41,990.60	648,441	1,326,483
2.3%	DFA U.S. Large Co	<1>	DFUSX	9,856.68	87,817	311,372
2.2%	Vanguard 500 Index Fund	<1>	VFIAX	792.08	166,416	308,063

Large Cap Growth:

2.2%	DFA US Large Cap Growth	<1>	DUSLX	9,844.26	193,454	296,312
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Large Cap Value:

8.6%	DFA U.S. Large Value	<1>	DFLVX	25,586.68	438,936	1,177,499
5.6%	DFA U.S. Large Value	<2>	DFLVX	16,674.02	466,755	767,338

Mid Cap Blend:

5.2%	Vanguard Mid Cap Index Adm	<1>	VIMAX	2,482.53	150,041	718,892
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Small Cap Blend:

5.1%	DFA US Small Cap I	<1>	DFSTX	14,618.56	310,750	694,820
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Small Cap Value:

5.1%	DFA U.S. Small Value	<1>	DFSVX	15,087.16	348,823	701,704
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International Growth:

3.4%	DFA Intl Small Company	<1>	DFISX	20,394.09	267,345	470,696
3.6%	DFA Large Cap Int'l	<2>	DFALX	17,657.68	279,456	493,179

International Value:

3.7%	DFA Intl Value I	<1>	DFIVX	25,139.28	359,031	506,556
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ASHRAE General/Pledged Account
As of May 31, 2021
Inception Date: February 26, 2001

Portfolio Holdings

Weight	Description	Symbol	Quantity	Cost Basis	Current Value
Equity Mutual Funds & ETFs					
Equity Exchange Traded Funds					
Large Cap Growth:					
2.1%	Invesco QQQ Series	<1> QQQQ	877.00	289,498	292,857
0.9%	Invesco QQQ Series	<2> QQQQ	375.00	123,788	125,224
Emerging Markets:					
3.5%	Schwab Emg Mkt Eq ETF	<1> SCHE	14,500.00	446,753	475,890
1.1%	Schwab Emg Mkt Eq ETF	<2> SCHE	4,500.00	138,729	147,690
64.1% Equity Mutual Funds & ETFs Total				4,716,034	8,814,575
Fixed Income Mutual Funds & ETFs					
Fixed Income Mutual Funds					
Core Fixed Income:					
3.2%	Baird Core Plus Bd Inst	<2> BCOIX	37,314.65	456,000	439,940
7.0%	Doubleline Core Fixed Inc	<2> DBLFX	86,501.60	942,675	959,303
Bond Fund - Intermediate Maturity:					
5.7%	Loomis Sayles Invst Grade	<2> LSIIX	68,927.33	782,695	790,596
Bond Fund - Multisector/Nontraditional					
5.3%	Blackrock Strat Inc Inst'l	<2> BSIIX	69,764.52	688,839	724,156
2.3%	Loomis Sayles Bond Inst'l	<2> LSBDX	23,228.98	315,000	314,288
4.3%	PIMCO Income Inst'l	<2> PIMIX	49,256.58	594,117	595,512
Fixed Income Exchange Traded Funds					
Bond Fund - Short Maturity:					
1.6%	JPMorgan Ultra-Short Income ETF	<2> JPST	4,430.00	225,079	224,911
29.4% Fixed Income Mutual Funds & ETFs Total				4,004,405	4,048,706



ASHRAE General/Pledged Account
As of May 31, 2021
Inception Date: February 26, 2001

Portfolio Holdings

Weight	Description	Symbol	Quantity	Cost Basis	Current Value
Cash Equivalents					
Cash Equivalents					
Cash					
0.0%	Schwab Money Fund	<1> SMF		5,677	5,677
0.3%	Schwab Money Fund	<2> SMF		37,864	37,864
0.3%	Cash Equivalents Total			43,541	43,541
93.8%	Managed Assets Total			8,763,980	12,906,822
Unmanaged Assets					
Fixed Income Mutual Funds & ETFs					
Fixed Income Mutual Funds					
Bond Fund - Short Maturity:					
6.2%	PIMCO Low Duration	<1> PTLDX	85,424.12	850,000	849,116
6.2%	Fixed Income Mutual Funds & ETFs Total			850,000	849,116
6.2%	Unmanaged Assets Total			850,000	849,116
100.0%	Total			9,613,980	13,755,938

Account Legend

<1>	ASHRAE, Inc. (GENERAL Fund)
<2>	ASHRAE, Inc. (General - Pledged Account)



ASHRAE General/Pledged Account
As of May 31, 2021
Inception Date: February 26, 2001

Position Performance Summary

From June 30, 2020 to May 31, 2021

Description	6/30/2020 Value	Inflows	Outflows	Realized Gain/ (Loss)	Unrealized Gain/ (Loss)	Income/ Expenses	5/31/2021 Value	Actual Net Return (TWR)
Managed Assets								
Equity Mutual Funds & ETFs								
Equity Mutual Funds								
DFA Global 60/40	162,928	0	(186,704)	23,341	0	436	0	14.6%
DFA Intl Small Company	476,569	0	(199,440)	25,064	160,464	8,038	470,696	47.4%
DFA Intl Value I	443,750	0	(128,940)	13,815	170,301	7,631	506,556	48.9%
DFA Large Cap Int'l	502,200	509,471	(679,411)	30,847	123,241	6,832	493,179	36.7%
DFA U.S. Large Co	1,659,888	1,088,017	(1,668,217)	153,348	384,794	20,026	1,637,856	37.6%
DFA U.S. Large Value	1,350,122	650,001	(769,166)	18,387	672,166	23,327	1,944,837	53.3%
DFA U.S. Small Value	416,319	80,000	(165,930)	66,058	293,623	11,635	701,704	85.0%
DFA US Large Cap Growth	236,318	100,000	(112,569)	1,736	67,729	3,099	296,312	30.6%
DFA US Small Cap I	477,191	20,000	(111,335)	37,068	266,082	5,814	694,820	65.7%
Vanguard 500 Index Fund	239,267	0	(18,585)	3,143	80,982	3,256	308,063	37.6%
Vanguard Mid Cap Index Adm	557,143	0	(74,770)	5,595	223,584	7,339	718,892	44.3%
Equity Exchange Traded Funds								
Invesco QQQ Series	0	413,285	0	0	4,795	0	418,080	1.2%
Schwab Emg Mkt Eq ETF	0	585,482	(8,504)	0	38,098	8,504	623,580	9.4%
Equity Mutual Funds & ETFs Total	6,521,695	3,446,256	(4,123,571)	378,400	2,485,858	105,937	8,814,575	47.5%
Fixed Income Mutual Funds & ETFs								
Fixed Income Mutual Funds								
Baird Core Plus Bd Inst	0	456,000	(12,359)	4,259	(16,060)	8,100	439,940	(0.8%)
Blackrock Strat Inc Inst'l	687,878	692,064	(711,276)	5,841	32,092	17,557	724,156	8.1%
DFA One-Year Fixed Income	596,055	596,055	(1,192,523)	(15)	0	428	0	0.1%
Doubleline Core Fixed Inc	933,923	939,807	(939,807)	7,374	(7,833)	25,838	959,303	2.7%
Loomis Sayles Bond Inst'l	523,009	315,000	(568,948)	31,474	(712)	14,464	314,288	9.4%



ASHRAE General/Pledged Account
As of May 31, 2021
Inception Date: February 26, 2001

Position Performance Summary

From June 30, 2020 to May 31, 2021

Description	6/30/2020 Value	Inflows	Outflows	Realized Gain/ (Loss)	Unrealized Gain/ (Loss)	Income/ Expenses	5/31/2021 Value	Actual Net Return (TWR)
Managed Assets								
Fixed Income Mutual Funds & ETFs								
Fixed Income Mutual Funds								
Loomis Sayles Invst Grade	751,525	757,943	(757,943)	42,304	(22,583)	19,352	790,596	5.2%
PIMCO Income Inst'l	546,245	548,145	(549,184)	1,900	26,422	21,983	595,512	9.2%
Fixed Income Exchange Traded Funds								
JPMorgan Ultra-Short Income ETF	0	631,551	(407,306)	(203)	(168)	1,037	224,911	0.4%
Fixed Income Mutual Funds & ETFs Total	4,038,636	4,936,565	(5,139,346)	92,934	11,157	108,760	4,048,706	5.0%
Cash Equivalents								
Cash Equivalents								
Schwab Government Money	0	456,497	(456,505)	0	0	8	0	0.0%
Schwab Money Fund	1,049,243	7,517,957	(8,489,319)	0	0	(34,340)	43,541	0.0%
Cash Equivalents Total	1,049,243	7,517,949	(8,489,319)	0	0	(34,332)	43,541	0.0%
Managed Assets Total	11,609,573	9,342,038	(11,193,503)	471,334	2,497,016	180,365	12,906,822	29.9%
Unmanaged Assets								
Fixed Income Mutual Funds & ETFs								
Fixed Income Mutual Funds								
PIMCO Low Duration	0	850,000	(2,998)	0	(884)	2,998	849,116	0.2%
Cash Equivalents								
Cash Equivalents								
Schwab Government Money	2,795,207	1,000,000	(3,795,313)	0	0	106	0	0.0%



ASHRAE General/Pledged Account
As of May 31, 2021
Inception Date: February 26, 2001

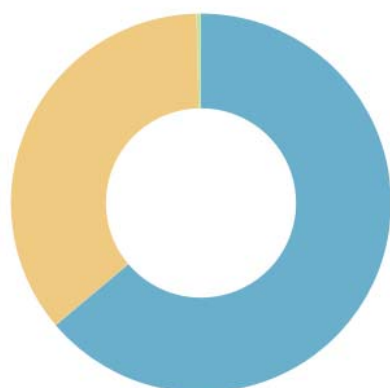
Position Performance Summary

From June 30, 2020 to May 31, 2021

Description	6/30/2020 Value	Inflows	Outflows	Realized Gain/ (Loss)	Unrealized Gain/ (Loss)	Income/ Expenses	5/31/2021 Value	Actual Net Return (TWR)
Unmanaged Assets Total	2,795,207	1,850,000	(3,798,311)	0	(884)	3,104	849,116	0.3%
Total	14,404,780	6,000,224	(9,800,000)	471,334	2,496,132	183,468	13,755,938	26.6%

PORTFOLIO OVERVIEW

Asset Allocation



Asset Class	Current Value	Current Percent
Equity Mutual Funds & ETFs	4,341,547	63.8%
Fixed Income Mutual Funds & ETFs	2,434,686	35.8%
Cash Equivalents	24,202	0.4%
Total	6,800,435	100.0%
Unmanaged Assets	249,719	3.7%
Managed Assets	6,550,716	96.3%

Current Allocation

Portfolio Analysis

	Calendar YR (5/31)	Fiscal YTD	Inception to 5/31/2021
Start Value	5,902,823	5,361,129	0
Contributions	846	929,920	6,692,825
Withdrawals	0	(1,250,000)	(7,195,038)
Capital Appreciation	621,279	1,419,775	4,761,202
Net Income	25,769	89,892	2,291,728
Ending Value	6,550,716	6,550,716	6,550,716
Investment Gain	647,048	1,509,667	7,052,929
Portfolio Return (Net TWR)	11.0%	28.9%	6.7%
Benchmark	8.1%	26.3%	6.5%
S&P 500 Composite	12.6%	37.6%	8.2%
Russell 1000 Value	18.4%	45.3%	7.7%
Russell 2000	15.3%	58.9%	9.3%
MSCI EAFE (TR) Gross	10.4%	34.4%	5.8%
ICE BofA 1-Year US Treasury Note	0.1%	0.2%	-
Bloomberg Barclays US Aggregate	(2.3%)	(1.0%)	4.6%

Returns for periods exceeding 12 months are annualized.



ASHRAE, Inc. RESEARCH Fund
 As of May 31, 2021
 Inception Date: February 26, 2001

Portfolio Holdings

Weight	Description	Symbol	Quantity	Cost Basis	Current Value
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Managed Assets

Equity Mutual Funds & ETFs

Equity Mutual Funds

Large Cap Blend:

13.1%	DFA U.S. Large Co	DFUSX	28,107.62	321,665	887,920
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Large Cap Growth:

3.1%	DFA US Large Cap Growth	DUSLX	6,954.58	141,162	209,333
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Large Cap Value:

14.6%	DFA U.S. Large Value	DFLVX	21,519.20	392,137	990,314
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Mid Cap Blend:

4.8%	Vanguard Mid Cap Index Adm	VIMAX	1,138.11	74,583	329,574
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Small Cap Blend:

5.2%	DFA US Small Cap I	DFSTX	7,374.28	127,288	350,500
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Small Cap Value:

5.1%	DFA U.S. Small Value	DFSVX	7,481.51	172,730	347,965
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International Growth:

3.5%	DFA Intl Small Company	DFISX	10,421.10	127,421	240,519
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3.4%	DFA Large Cap Int'l	DFALX	8,194.88	137,915	228,883
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International Value:

3.6%	DFA Intl Value I	DFIVX	12,237.51	175,377	246,586
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ASHRAE, Inc. (RESEARCH Fund)
As of May 31, 2021
Inception Date: February 26, 2001

Portfolio Holdings

Weight	Description	Symbol	Quantity	Cost Basis	Current Value
Equity Mutual Funds & ETFs					
Equity Exchange Traded Funds					
Large Cap Growth:					
3.0%	Invesco QQQ Series	QQQQ	618.00	204,002	206,369
Emerging Markets:					
4.5%	Schwab Emg Mkt Eq ETF	SCHE	9,250.00	285,748	303,585
63.8%	Equity Mutual Funds & ETFs Total			2,160,028	4,341,547
Fixed Income Mutual Funds & ETFs					
Fixed Income Mutual Funds					
Core Fixed Income:					
7.9%	Doubleline Core Fixed Inc	DBLFX	48,479.23	527,137	537,635
Bond Fund - Intermediate Maturity:					
5.7%	Loomis Sayles Invst Grade	LSIIX	33,683.91	402,131	386,354
Bond Fund - Multisector/Nontraditional					
6.2%	Blackrock Strat Inc Inst'l	BSIIX	40,832.80	402,787	423,844
4.6%	Loomis Sayles Bond Inst'l	LSBDX	22,970.00	332,008	310,784
4.2%	PIMCO Income Inst'l	PIMIX	23,404.29	280,113	282,958
Fixed Income Exchange Traded Funds					
Bond Fund - Short Maturity:					
3.6%	JPMorgan Ultra-Short Income ETF	JPST	4,794.00	243,577	243,391
32.1%	Fixed Income Mutual Funds & ETFs Total			2,187,753	2,184,967



ASHRAE, Inc. (RESEARCH Fund)
As of May 31, 2021
Inception Date: February 26, 2001

Portfolio Holdings

Weight	Description	Symbol	Quantity	Cost Basis	Current Value
Cash Equivalents					
Cash Equivalents					
Cash					
0.4%	Schwab Money Fund	SMF		24,202	24,202
0.4%	Cash Equivalents Total			24,202	24,202
96.3%	Managed Assets Total			4,371,983	6,550,716
Unmanaged Assets					
Fixed Income Mutual Funds & ETFs					
Fixed Income Mutual Funds					
Bond Fund - Short Maturity:					
3.7%	PIMCO Low Duration	PTLDX	25,122.61	250,000	249,719
3.7%	Fixed Income Mutual Funds & ETFs Total			250,000	249,719
3.7%	Unmanaged Assets Total			250,000	249,719
100.0%	Total			4,621,983	6,800,435



ASHRAE, Inc. (RESEARCH Fund)
As of May 31, 2021
Inception Date: February 26, 2001

Position Performance Summary

From June 30, 2020 to May 31, 2021

Description	6/30/2020 Value	Inflows	Outflows	Realized Gain/ (Loss)	Unrealized Gain/ (Loss)	Income/ Expenses	5/31/2021 Value	Actual Net Return (TWR)
Managed Assets								
Equity Mutual Funds & ETFs								
Equity Mutual Funds								
DFA Intl Small Company	237,792	0	(94,655)	19,506	73,874	4,002	240,519	47.4%
DFA Intl Value I	237,286	0	(89,355)	11,517	83,273	3,865	246,586	48.9%
DFA Large Cap Int'l	237,281	0	(83,955)	13,685	58,690	3,182	228,883	36.6%
DFA U.S. Large Co	718,739	0	(95,960)	39,168	216,008	9,965	887,920	37.6%
DFA U.S. Large Value	664,348	50,000	(82,340)	8,774	338,032	11,500	990,314	53.3%
DFA U.S. Small Value	192,638	50,000	(73,860)	30,534	143,047	5,606	347,965	84.8%
DFA US Large Cap Growth	147,692	50,000	(35,930)	132	45,478	1,960	209,333	30.7%
DFA US Small Cap I	241,797	0	(47,020)	16,308	136,523	2,891	350,500	65.8%
Vanguard Mid Cap Index Adm	238,028	0	(12,185)	2,200	98,335	3,195	329,574	44.3%
Equity Exchange Traded Funds								
Invesco QQQ Series	0	204,002	0	0	2,367	0	206,369	1.2%
Schwab Emg Mkt Eq ETF	0	295,139	(13,335)	(170)	17,837	4,113	303,585	9.4%
Equity Mutual Funds & ETFs Total	2,915,602	649,140	(628,594)	141,654	1,213,464	50,280	4,341,547	47.9%
Fixed Income Mutual Funds & ETFs								
Fixed Income Mutual Funds								
Blackrock Strat Inc Inst'l	402,611	0	(11,245)	969	21,233	10,276	423,844	8.1%
DFA One-Year Fixed Income	490,786	0	(491,089)	(30)	0	333	0	0.1%
Doubleline Core Fixed Inc	581,783	0	(59,985)	1,678	(1,055)	15,213	537,635	2.7%
Loomis Sayles Bond Inst'l	311,986	0	(29,985)	3,069	15,588	10,126	310,784	9.4%
Loomis Sayles Invst Grade	367,261	0	0	17,537	(7,900)	9,457	386,354	5.2%
PIMCO Income Inst'l	269,149	0	(10,661)	0	13,809	10,661	282,958	9.2%



ASHRAE, Inc. (RESEARCH Fund)
As of May 31, 2021
Inception Date: February 26, 2001

Position Performance Summary

From June 30, 2020 to May 31, 2021

Description	6/30/2020 Value	Inflows	Outflows	Realized Gain/ (Loss)	Unrealized Gain/ (Loss)	Income/ Expenses	5/31/2021 Value	Actual Net Return (TWR)
Managed Assets								
Fixed Income Mutual Funds & ETFs								
Fixed Income Exchange Traded Funds								
JPMorgan Ultra-Short Income ETF	0	370,598	(127,825)	(78)	(163)	859	243,391	0.3%
Fixed Income Mutual Funds & ETFs Total	2,423,577	370,598	(730,789)	23,145	41,512	56,924	2,184,967	5.1%
Cash Equivalents								
Cash Equivalents								
Schwab Money Fund	21,951	2,289,304	(2,269,738)	0	0	(17,313)	24,202	0.0%
Managed Assets Total	5,361,129	929,920	(1,250,000)	164,799	1,254,976	89,892	6,550,716	28.9%
Unmanaged Assets								
Fixed Income Mutual Funds & ETFs								
Fixed Income Mutual Funds								
PIMCO Low Duration	0	250,000	(882)	0	(281)	882	249,719	0.2%
Cash Equivalents								
Cash Equivalents								
Schwab Government Money	929,000	0	(929,038)	0	0	38	0	0.0%
Unmanaged Assets Total	929,000	250,000	(929,920)	0	(281)	920	249,719	0.2%
Total	6,290,129	0	(1,000,000)	164,799	1,254,695	90,811	6,800,435	26.6%



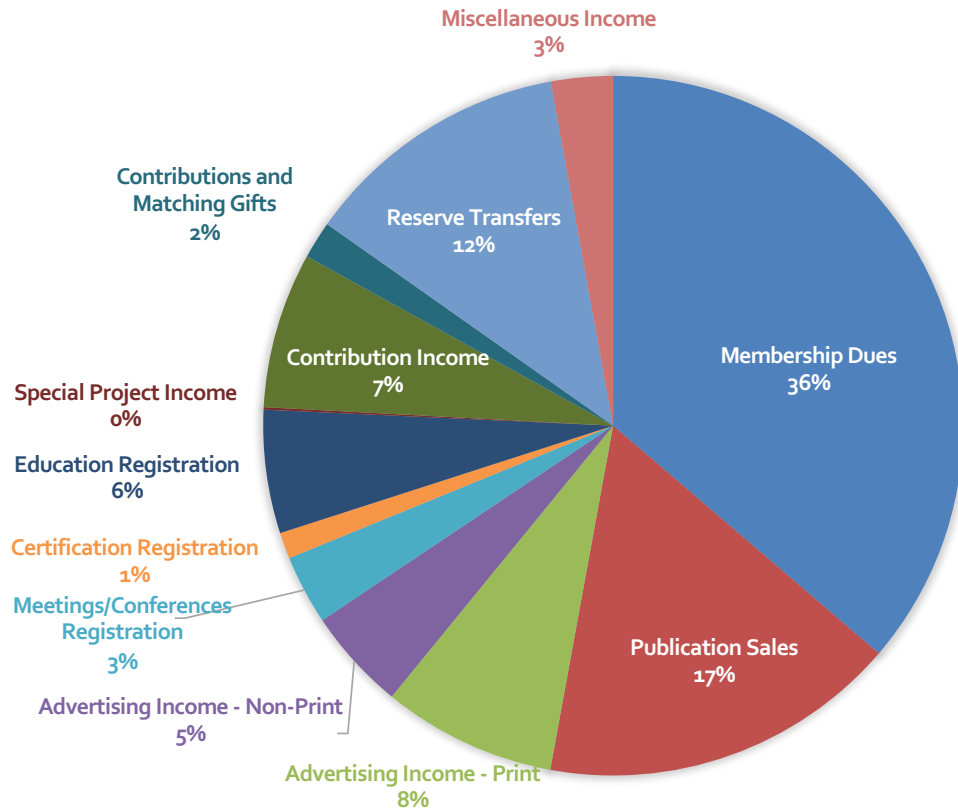
Shaping Tomorrow's
Built Environment Today

Draft Budget Presentation
June 24, 2021

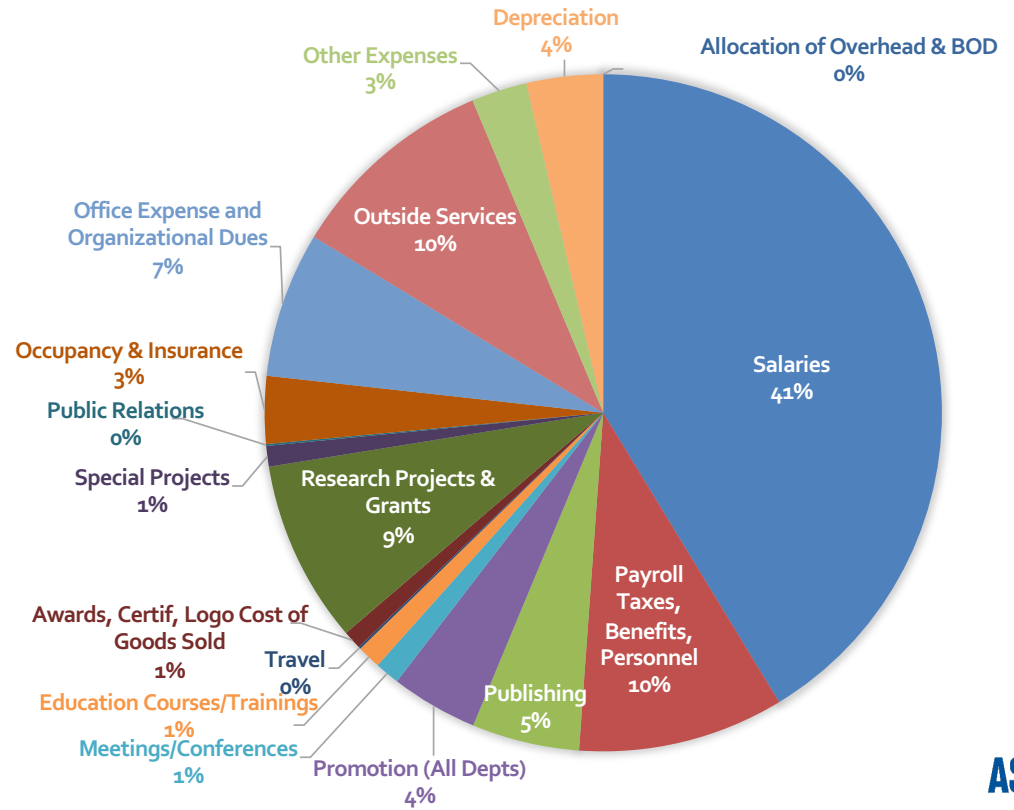
Farooq Mehboob Society Treasurer – SY 2021

SY 2021 Forecast – Birds eye view

REVENUE \$ 21,466.8



EXPENSES \$ 21,816.5



Consolidated (Excl Foundation)

(in Thousands)	Latest Forecast May 31, 2021	SY 20-21 Budget
Revenues	\$21,466.8	\$28,258.4
Expenses	\$21,816.5	\$28,670.6
Surplus/(Deficit)	(\$349.7)	(\$412.1)



General (Fund 2)

(in Thousands)	BOD Approved Forecast (Nov 2020)	Latest Forecast May 31, 2021	SY 20-21 Budget
Revenues	\$20,230.9	\$18,216.8	\$24,908.4
Expenses	20,643.0	\$18,566.5	\$25,320.5
Surplus/(Deficit)	(\$412.1)	(\$349.7)	(\$412.1)

Consolidated(Excl Foundation)- showing PPP Loan Forgiveness

(in Thousands)	Latest Forecast May 31,2021	SY 20-21 Budget
Revenues	\$21,466.8	\$28,258.4
Expenses	\$21,816.5	\$28,670.6
Surplus/(Deficit)	\$1,844.7	(\$412.1)

PPP Loan Forgiven Amount \$ 2,191,400



Consolidated Financial Statement (Excl. Foundation)

Month of May			Fiscal YTD Through Month of May				TWELVE MONTHS ENDING JUNE 30						
Actual	Actual	Budget	Actual	Budget	Actual	Budget	roll up	Actual	Actual	Budget	Actual	Forecast	Budget
FY 2020	FY 2021	FY 2021	FY 2020	FY 2020	FY 2021	FY 2021	acct / Description	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021	FY 2021
\$654.5	\$664.3	\$612.1	\$7,222.3	\$7,466.3	\$7,208.5	\$6,693.7	31 Membership Dues	\$7,772.8	\$7,779.9	\$8,151.3	\$7,884.8	\$7,787.9	\$7,307.9
235.9	246.3	306.0	3,328.7	3,335.0	3,043.0	3,418.6	32 Publication Sales	3,664.0	3,447.6	3,783.7	3,722.2	3,563.1	3,861.0
147.9	107.1	164.7	2,436.9	2,900.9	1,578.6	2,684.8	34 Advertising Income - Print	3,308.2	3,089.6	3,113.1	2,584.3	1,722.6	2,846.8
52.2	123.9	91.4	593.3	985.4	933.7	884.2	34 Advertising Income - Non-Print	899.2	868.6	1,070.0	657.6	1,011.0	960.0
	0.3	1.5	1,501.7	1,685.9	359.3	1,730.6	35.1 Meetings/Conferences Registration	1,737.6	1,548.2	2,426.1	1,693.9	688.9	2,435.5
8.8	17.9	21.8	206.8	261.6	233.4	267.2	35.2 Certification Registration	213.2	218.7	280.0	219.7	260.0	286.0
(36.7)	130.2	297.6	1,415.6	1,689.0	1,103.7	1,801.9	35.3 Education Registration	1,700.6	1,642.7	1,960.0	1,498.2	1,223.6	2,110.0
		2.0	51.6	89.8		22.5	37 Special Project Income	62.9	74.3	98.0	51.6	24.5	24.5
101.6	146.4	96.1	1,103.4	1,409.7	1,042.0	855.4	38 Contribution Income	2,312.7	2,295.3	2,577.2	1,784.2	1,544.7	1,544.7
			6,012.6	6,300.0		4,300.0	41.1 AHR Exposition Income	6,085.7	5,741.8	6,300.0	6,012.6		4,300.0
10.0	10.0	11.5	165.0	167.1	275.0	321.5	41.2 Contributions and Matching Gifts	74.5	109.5	171.3	165.0	371.5	321.5
							41.3 Exposition Income - Other Countries		234.0				
		309.4		1,227.6	1,000.0	1,799.0	44 Reserve Transfers	1,199.3	890.0	1,278.7		2,655.8	1,860.4
96.5	74.8	32.2	477.9	391.7	390.0	322.2	46 Miscellaneous Income	364.7	805.2	554.7	622.9	613.2	400.1
1,270.7	1,521.2	1,946.3	24,515.8	27,910.0	17,167.2	25,101.6	TOTAL REVENUES	29,395.4	28,745.4	31,764.1	26,897.0	21,466.8	28,258.4
							EXPENSES:						
710.3	675.4	806.1	8,718.2	8,879.9	8,005.2	8,350.9	51 Salaries	9,730.4	9,720.9	9,813.6	9,495.0	9,011.1	9,229.4
227.6	147.4	176.8	2,521.1	2,528.1	2,067.6	2,485.4	52 Payroll Taxes, Benefits, Personnel	2,875.3	2,636.9	2,772.7	2,843.4	2,145.7	2,726.7
49.3	38.2	126.2	1,004.8	1,526.3	661.5	1,373.9	61 Publishing	1,839.4	1,782.9	1,976.5	1,604.3	1,120.4	1,831.1
50.2	59.3	182.2	1,005.4	1,602.1	765.8	1,476.8	62 Promotion (All Depts)	1,572.4	1,455.7	1,683.9	1,105.7	905.3	1,561.7
2.2	0.3	62.5	1,252.7	1,567.7	73.0	(818.4)	64 Meetings/Conferences	2,184.3	1,782.3	2,428.4	1,274.2	257.7	2,277.5
5.3	33.1	68.6	465.6	639.8	197.9	640.6	64 Education Courses/Trainings	686.9	695.5	728.0	475.0	245.8	740.0
(11.5)	5.4	289.5	1,320.9	1,938.8	24.4	1,460.7	66 Travel	2,228.8	2,169.0	2,413.0	1,328.2	23.8	1,779.6
1.7	13.4	7.0	146.9	169.8	122.3	167.7	68 Awards, Certif, Logo Cost of Goods Sold	175.2	232.6	173.7	150.0	194.1	174.5
375.5		349.8	2,241.8	2,923.2	1,073.8	1,942.9	71 Research Projects & Grants	2,941.5	2,226.6	3,002.9	2,332.2	1,903.0	1,874.0
108.2		17.9	187.6	181.5	61.5	196.6	73 Special Projects	107.7	111.4	198.0	217.0	214.5	214.5
2.2	2.0	3.0	54.0	56.0	18.9	56.9	76 Public Relations	58.1	70.5	74.6	54.2	19.8	75.9
60.0	50.1	53.2	725.1	859.8	635.3	637.1	78 Occupancy & Insurance	639.3	768.3	932.6	799.0	702.8	702.4
115.0	139.8	148.9	1,354.1	1,614.0	1,084.9	1,581.3	82 Office Expense and Organizational Dues	1,633.0	1,631.3	1,816.9	1,484.7	1,516.6	1,780.6
154.5	89.4	97.3	1,607.0	1,823.8	1,543.2	1,638.8	84 Outside Services	1,906.3	2,243.0	2,385.1	2,013.9	2,180.4	2,109.3
96.4	62.9	78.4	444.3	699.5	400.0	704.8	88 Other Expenses	786.7	770.9	763.5	521.9	579.0	808.4
			(81.4)		13.5		88.1 Prepaid Expenses (contra acct)	(491.5)	(182.9)		(81.4)		
				50.0			89 Opportunity Fund	140.0	150.0	50.0			
25.4	74.2	79.2	297.3	328.8	593.8	705.8	90 Depreciation	556.9	379.1	360.0	324.4	796.5	785.0
		0.2		5.2		(17.0)	91 Allocation of Overhead & BOD			(0.1)		0.0	0.0
1,972.3	1,390.9	2,546.8	23,265.4	27,394.3	17,342.6	22,584.8	TOTAL EXPENSES	29,570.7	28,644.0	31,573.3	25,941.7	21,816.5	28,670.6
(701.6)	130.3	(600.5)	1,250.4	515.7	(175.4)	2,516.8	SURPLUS (DEFICIT) before reserve income	(175.3)	101.4	190.8	955.3	(349.7)	(412.2)



General (Fund 2) Financial Statement

Month of May			Fiscal YTD Through Month of May				TWELVE MONTHS ENDING JUNE 30						
Actual	Actual	Budget	Actual	Budget	Actual	Budget	roll up	Actual	Actual	Budget	Actual	Forecast	Budget
FY 2020	FY 2021	FY 2021	FY 2020	FY 2020	FY 2021	FY 2021	acct / Description	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021	FY 2021
\$641.4	\$651.0	\$599.5	\$7,078.1	\$7,315.2	\$7,064.1	\$6,556.3	roll up						
235.9	246.3	306.0	3,328.7	3,335.0	3,043.0	3,418.6	31 Membership Dues	\$7,617.1	\$7,624.3	\$7,986.3	\$7,727.4	\$7,637.9	\$7,157.9
147.9	107.1	164.7	2,436.9	2,900.9	1,578.6	2,684.8	32 Publication Sales	3,664.0	3,447.6	3,783.7	3,722.2	3,563.1	3,861.0
52.2	123.9	91.4	593.3	985.4	933.7	884.2	34 Advertising Income - Print	3,308.2	3,089.6	3,113.1	2,584.3	1,722.6	2,846.8
	0.3	1.5	1,501.7	1,685.9	359.3	1,730.6	34 Advertising Income - Non-Print	899.2	868.6	1,070.0	657.6	1,011.0	960.0
8.8	17.9	21.8	206.8	261.6	233.4	267.2	35.1 Meetings/Conferences Registration	1,737.6	1,548.2	2,426.1	1,693.9	688.9	2,435.5
(36.7)	130.2	297.6	1,415.6	1,689.0	1,103.7	1,801.9	35.2 Certification Registration	213.2	218.7	280.0	219.7	260.0	286.0
		2.0	51.6	89.8		22.5	35.3 Education Registration	1,700.6	1,642.7	1,960.0	1,498.2	1,223.6	2,110.0
1.9	41.0	7.0	17.2	30.3	173.5	31.0	37 Special Project Income	62.9	74.3	98.0	51.6	24.5	24.5
			6,012.6	6,300.0		4,300.0	38 Contribution Income	35.1	32.3	43.8	29.0	44.7	44.7
10.0	10.0	11.5	(1,735.0)	(1,732.9)	275.0	121.5	41.1 AHR Exposition Income	6,085.7	5,741.8	6,300.0	6,012.6		4,300.0
							41.2 Contributions and Matching Gifts	(1,488.5)	(1,390.5)	(1,728.7)	(1,735.0)	271.5	121.5
							41.3 Exposition Income - Other Countries		234.0				
		184.4		228.7		424.0	44 Reserve Transfers	719.0	690.0	828.7		1,155.8	360.4
96.5	74.8	32.2	477.9	388.3	390.0	322.2	46 Miscellaneous Income	364.7	805.2	551.0	622.9	613.2	400.1
1,157.9	1,402.5	1,719.6	21,385.4	23,477.2	15,154.3	22,564.8	TOTAL REVENUES	24,918.8	24,626.8	26,712.0	23,084.4	18,216.8	24,908.4
							EXPENSES:						
669.0	632.5	765.0	8,255.1	8,399.0	7,499.3	7,933.7	51 Salaries	9,268.7	9,244.2	9,280.7	8,987.7	8,473.1	8,768.7
214.4	138.2	166.1	2,392.2	2,350.8	1,936.0	2,346.6	52 Payroll Taxes, Benefits, Personnel	2,702.5	2,545.9	2,577.7	2,698.5	2,022.0	2,574.1
49.3	38.2	124.8	999.3	1,505.4	657.5	1,352.5	61 Publishing	1,831.1	1,777.5	1,954.1	1,598.8	1,097.6	1,808.2
50.2	57.8	182.2	1,001.8	1,597.9	764.3	1,472.6	62 Promotion (All Depts)	1,567.2	1,428.3	1,674.4	1,102.1	895.6	1,552.0
2.2	0.3	60.0	1,228.3	1,550.7	73.0	(835.3)	64 Meetings/Conferences	2,153.1	1,754.8	2,409.4	1,249.8	238.3	2,258.1
5.3	33.1	68.6	465.6	639.8	197.9	640.6	64 Education Courses/Trainings	686.9	695.5	728.0	475.0	245.8	740.0
(10.7)	5.4	273.4	1,245.6	1,820.3	24.4	1,380.3	66 Travel	2,115.6	2,048.7	2,268.8	1,252.9	23.8	1,683.1
1.7	13.3	7.0	77.2	133.5	77.4	130.6	68 Awards, Certif, Logo Cost of Goods Sold	119.4	146.0	136.9	80.3	156.6	137.0
		0.7	166.1	173.1	157.2	173.2	71 Research Projects & Grants	126.9	116.5	173.8	166.1	166.0	174.0
108.2		17.9	187.6	181.5	61.5	196.6	73 Special Projects	107.7	111.4	198.0	217.0	214.5	214.5
2.2	2.0	3.0	54.0	55.7	18.9	56.6	76 Public Relations	57.9	70.5	74.4	54.2	19.5	75.6
60.0	50.1	53.2	725.1	859.8	635.3	637.1	78 Occupancy & Insurance	639.3	768.3	932.6	799.0	702.8	702.4
115.0	138.7	135.6	1,322.1	1,553.4	1,066.4	1,519.5	82 Office Expense and Organizational Dues	1,584.9	1,588.6	1,753.5	1,451.8	1,451.9	1,715.9
154.5	89.4	97.3	1,607.0	1,823.8	1,543.2	1,638.8	84 Outside Services	1,905.7	2,243.0	2,385.1	2,013.9	2,180.4	2,109.3
93.9	59.8	74.2	408.7	647.0	374.6	660.4	88 Other Expenses	738.3	715.8	691.2	473.9	517.9	747.3
			(81.4)		13.5		88.1 Prepaid Expenses (contra acct)	(491.5)	(182.9)		(81.4)		
				50.0			89 Opportunity Fund	140.0	150.0	50.0			
25.4	74.2	79.2	297.3	328.8	593.8	705.8	90 Depreciation	556.9	379.1	360.0	324.4	796.5	785.0
(45.3)	(44.8)	(52.4)	(613.1)	(1,000.0)	(581.6)	(663.2)	91 Allocation of Overhead & BOD	(669.2)	(677.3)	(1,127.4)	(672.8)	(635.8)	(724.7)
1,495.3	1,288.2	2,055.8	19,738.5	22,670.5	15,112.6	19,346.4	TOTAL EXPENSES	25,141.4	24,923.9	26,521.2	22,191.2	18,566.5	25,320.5
(337.4)	114.3	(336.2)	1,646.9	806.7	41.7	3,218.4	SURPLUS (DEFICIT) before reserve income	(222.6)	(297.1)	190.8	893.2	(349.7)	(412.1)



Research Fund Financial Statement

Month of May			Fiscal YTD Through Month of May			
Actual	Actual	Budget	Actual	Budget	Actual	Budget
FY 2020	FY 2021	FY 2021	FY 2020	FY 2020	FY 2021	FY 2021
\$13.1	\$13.3	\$12.6	\$144.2	\$151.1	\$144.5	\$137.4
99.1	104.5	89.1	1,028.6	1,379.3	822.8	824.4
			1,900.0	1,900.0		200.0
		125.0		998.9	1,000.0	1,375.0
				3.4		
112.2	117.8	226.7	3,072.8	4,432.7	1,967.3	2,536.8
41.3	42.8	41.1	463.1	480.8	505.9	417.2
13.2	9.2	10.8	128.9	177.4	131.7	138.9
		1.4	5.5	20.9	4.0	21.3
	1.5		3.5	4.2	1.5	4.2
		2.5	24.0	17.0		16.9
(0.8)		16.1	72.4	118.5		80.4
	0.1		29.8	36.4	29.9	37.1
375.5		349.0	2,075.7	2,750.2	916.6	1,769.7
		0.0		0.2		0.3
0.0	1.1	13.3	26.6	60.6	17.7	61.8
2.5	3.1	4.2	35.6	52.5	25.4	44.4
45.3	44.8	52.7	613.1	1,005.2	581.6	646.2
477.0	102.6	491.1	3,478.2	4,723.9	2,214.3	3,238.4
(364.8)	15.2	(264.4)	(405.4)	(291.2)	(247.0)	(701.6)
218.7	113.9	1,329.0	(249.6)	1,402.8	1,510.3	1,430.9
		(21.7)		(998.9)	(1,000.0)	(238.3)
218.7	113.9	1,307.3	(249.6)	403.9	510.3	1,192.6
(146.1)	129.1	1,042.9	(655.0)	112.7	263.3	491.0

roll up acct / Description	TWELVE MONTHS ENDING JUNE 30					
	Actual	Actual	Budget	Actual	Forecast	Budget
	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021	FY 2021
REVENUES						
31 Membership Dues	\$155.7	\$155.6	\$165.0	\$157.4	\$150.0	\$150.0
38 Contribution Income	2,212.1	2,199.4	2,533.4	1,696.0	1,500.0	1,500.0
41.2 Contributions and Matching Gifts	1,563.0	1,500.0	1,900.0	1,900.0	100.0	200.0
44 Reserve Transfers	480.3	200.0	450.0		1,500.0	1,500.0
46 Miscellaneous Income			3.7			
TOTAL REVENUES	4,411.1	4,055.0	5,052.1	3,753.4	3,250.0	3,350.0
EXPENSES:						
51 Salaries	461.7	476.7	532.9	507.3	538.0	460.7
52 Payroll Taxes, Benefits, Personnel	172.8	90.9	194.9	145.0	123.7	152.6
61 Publishing	8.3	5.4	22.4	5.5	22.9	22.9
62 Promotion (All Depts)	5.1	27.5	9.5	3.5	9.7	9.7
64 Meetings/Conferences	30.3	27.5	19.0	24.0	19.4	19.4
66 Travel	111.1	115.5	144.1	72.4		96.5
68 Awards, Certif, Logo Cost of Goods Sold	44.1	41.6	36.8	29.8	37.5	37.5
71 Research Projects & Grants	2,814.6	2,110.1	2,829.1	2,166.0	1,737.0	1,700.0
76 Public Relations	0.2		0.3		0.3	0.3
82 Office Expense and Organizational Dues	45.6	41.9	63.4	27.5	64.7	64.7
88 Other Expenses	48.1	55.1	72.3	48.0	61.1	61.1
91 Allocation of Overhead & BOD	669.2	677.3	1,127.3	672.8	635.7	724.7
TOTAL EXPENSES	4,411.1	3,669.5	5,052.0	3,701.8	3,250.0	3,350.1
SURPLUS (DEFICIT) before reserve income	0.0	385.5	0.1	51.6	0.0	(0.1)
Reserve Investment Income:						
95 Investmt Income - Reserves (net of exp)	421.5	193.0	242.6	(147.2)	1,396.4	247.4
96 Transfer Reserves Portion Used Currently	(480.3)	(200.0)	(450.0)		(1,500.0)	(260.0)
Remaining Reserve Investment Income	(58.8)	(7.0)	(207.4)	(147.2)	(103.6)	(12.6)
OVERALL SURPLUS (DEFICIT) after reserve income	(58.8)	378.5	(207.3)	(95.6)	(103.6)	(12.7)



General (Fund 2) Draft Budget 2021-2022 (Revenues)

Twelve months ending June 2021

roll up	Budget	Forecast	Budget	Variance	Variance	
acct / Description	FY 2021	FY 2021	FY 2022	FY 22 V	%	Explanation
				21		
				Forecast		
REVENUES						
31 Membership Dues	\$7,157.9	\$7,637.9	\$7,606.4	-\$ 31.5	-0.4%	Historically they have increased 2%. No increase except for Developing Economy. Mostly renewals should rebound in the coming year. Implementation of new benefit program with options may result in increased memberships.
32 Publication Sales	3,861.0	3,563.1	3,890.9	\$ 327.8	9.2%	
34 Advertising Income - Print	2,846.8	1,722.6	2,288.0	\$ 565.4	32.8%	Las Vegas Expo Journal and Show Daily.
34 Advertising Income - Non-Print	960.0	1,011.0	1,065.0	\$ 54.0	5.3%	
35.1 Meetings/Conferences Registration	2,435.5	688.9	1,940.9	\$ 1,252.0	181.7%	Las Vegas meeting attendance shows 75% capacity. Expenses high due to location. Possibility of increasing expenses and revenues if attendance is higher.
35.2 Certification Registration	286.0	260.0	280.0	\$ 20.0	7.7%	
35.3 Education Registration	2,110.0	1,223.6	2,558.5	\$ 1,334.9	109.1%	Las Vegas trainings plus F2F courses.
37 Special Project Income	24.5	24.5		-\$ 24.5	-100.0%	No special projects in sight as of yet.
38 Contribution Income	44.7	44.7	46.8	\$ 2.1	4.7%	
41.1 AHR Exposition Income	4,300.0		5,937.5	\$ 5,937.5		Expo participation is show at 90% of capacity.
41.2 Contributions and Matching Gifts	121.5	271.5	(1,362.9)	-\$ 1,634.4	-602.0%	Waived the transfer of Funds during the pandemic.
41.3 Exposition Income - Other Countries			170.0	\$ 170.0		Monterrey Expo in September of 2021 F2F
44 Reserve Transfers	360.4	1,155.8	255.0	-\$ 900.8	-77.9%	
46 Miscellaneous Income	400.1	613.2	389.7	-\$ 223.5	-36.4%	UNEP Revenue work is planned for 2023 & 2024.
TOTAL REVENUES	24,908.4	18,216.8	25,065.8			



General (Fund 2) Draft Budget 2021-2022 (Expenses)

Twelve months ending June 2021

roll up acct / Description	Budget FY 2021	Forecast FY 2021	Budget FY 2022	Variance FY 22 V 21 Forecast	Variance %	Explanation
EXPENSES:						
51 Salaries	8,768.7	8,473.1	8,837.2	\$ 364.1	4.3%	Four frozen positions added back for 2022. ER taxes for above positions. Increase in benefit cost for all.
52 Payroll Taxes, Benefits, Personnel	2,574.1	2,022.0	2,683.4	\$ 661.4	32.7%	New benefits program will allow a selection of one member benefit HB Pdf, Standard Pdf or an eLearning Course.
61 Publishing	1,808.2	1,097.6	1,134.5	\$ 36.9	3.4%	Primarily F2F meetings.
62 Promotion (All Depts)	1,552.0	895.6	1,415.8	\$ 520.2	58.1%	Las Vegas meeting attendance shows 75% capacity. Expenses high due to location. Possibility of increasing expenses and revenues if attendance is higher.
64 Meetings/Conferences	2,258.1	238.3	2,346.7	\$ 2,108.4	884.8%	Las Vegas trainings plus F2F courses.
64 Education Courses/Trainings	740.0	245.8	697.0	\$ 451.2	183.6%	Annual, Winter & training meetings post pandemic.
66 Travel	1,683.1	23.8	1,966.0	\$ 1,942.2	8160.5%	
68 Awards, Certif, Logo Cost of Goods Sold	137.0	156.6	164.0	\$ 7.4	4.7%	
71 Research Projects & Grants	174.0	166.0	182.7	\$ 16.7	10.1%	Student Grants
73 Special Projects	214.5	214.5		-\$ 214.5	-100.0%	No special projects in sight as of yet.
76 Public Relations	75.6	19.5	74.9	\$ 55.4	284.1%	Trade Shows & F2F meetings.
78 Occupancy & Insurance	702.4	702.8	759.5	\$ 56.7	8.1%	
82 Office Expense and Organizational Dues	1,715.9	1,451.9	1,532.8	\$ 80.9	5.6%	
84 Outside Services	2,109.3	2,180.4	2,191.5	\$ 11.1	0.5%	
88 Other Expenses	747.3	517.9	765.5	\$ 247.6	47.8%	Sales Tax F2F meetings and increased Credit Card charge activity
88.1 Prepaid Expenses (contra acct)				\$ 0.0		
89 Opportunity Fund				\$ 0.0		
90 Depreciation	785.0	796.5	921.9	\$ 125.4	15.7%	New Building & Equipent Full year.
91 Allocation of Overhead & BOD	(724.7)	(635.8)	(708.8)			
TOTAL EXPENSES	25,320.5	18,566.5	24,964.6			
SURPLUS (DEFICIT) before reserve income	(412.1)	(349.7)	101.2			

Research Fund Draft Budget 2021-2022

roll up	Actual	Actual	Actual	Forecast	Budget	Budget	Variance	Variance
acct / Description	FY 2018	FY 2019	FY 2020	FY 2021	FY 2021	FY 2022	FY 22 V 21 Forecast	%
REVENUES								
31 Membership Dues	\$155.7	\$155.6	\$157.4	\$150.0	\$150.0	\$154.5	\$4.50	3.0%
38 Contribution Income	2,212.1	2,199.4	1,696.0	1,500.0	1,500.0	1,760.1	\$260.10	17.3%
41.2 Contributions and Matching Gifts	1,563.0	1,500.0	1,900.0	100.0	200.0	1,500.0	\$1,300.00	650.0%
44 Reserve Transfers	480.3	200.0		1,500.0	1,500.0	270.0	(\$1,230.00)	-82.0%
46 Miscellaneous Income							\$0.00	
TOTAL REVENUES	4,411.1	4,055.0	3,753.4	3,250.0	3,350.0	3,684.6	\$334.60	10.0%
EXPENSES:							\$0.00	
51 Salaries	461.7	476.7	507.3	538.0	460.7	474.6	\$13.90	3.0%
52 Payroll Taxes, Benefits, Personnel	172.8	90.9	145.0	123.7	152.6	133.3	(\$19.30)	-12.6%
61 Publishing	8.3	5.4	5.5	22.9	22.9	24.0	\$1.10	4.8%
62 Promotion (All Depts)	5.1	27.5	3.5	9.7	9.7	10.2	\$0.50	5.2%
64 Meetings/Conferences	30.3	27.5	24.0	19.4	19.4	20.3	\$0.90	4.6%
66 Travel	111.1	115.5	72.4		96.5	145.9	\$49.40	51.2%
68 Awards, Certif, Logo Cost of Goods Sold	44.1	41.6	29.8	37.5	37.5	39.4	\$1.90	5.1%
71 Research Projects & Grants	2,814.6	2,110.1	2,166.0	1,737.0	1,700.0	1,982.3	\$282.30	16.6%
76 Public Relations	0.2			0.3	0.3	0.3	\$0.00	0.0%
82 Office Expense and Organizational Dues	45.6	41.9	27.5	64.7	64.7	68.0	\$3.30	5.1%
88 Other Expenses	48.1	55.1	48.0	61.1	61.1	77.5	\$16.40	26.8%
91 Allocation of Overhead & BOD	669.2	677.3	672.8	635.7	724.7	708.8	(\$15.90)	-2.2%
TOTAL EXPENSES	4,411.1	3,669.5	3,701.8	3,250.0	3,350.1	3,684.6	\$334.50	10.0%
SURPLUS (DEFICIT) before reserve income	0.0	385.5	51.6	0.0	(0.1)	0.0		



Budgets – 3 years

ASHRAE

General (Fund 2)

For the Ten Months Ending Friday, April 30, 2021

roll up acct / Description	DRAFT	DRAFT	DRAFT
	Budget	Budget	Budget
	FY 2022	FY 2023	FY 2024
REVENUES			
31 Membership Dues	\$7,606.4	\$7,758.5	\$7,913.6
32 Publication Sales	3,890.9	3,709.0	3,734.9
34 Advertising Income - Print	2,288.0	2,453.0	2,513.0
34 Advertising Income - Non-Print	1,065.0	1,050.0	1,085.0
35.1 Meetings/Conferences Registration	1,940.9	1,991.1	1,991.1
35.2 Certification Registration	280.0	280.0	280.0
35.3 Education Registration	2,558.5	2,522.0	2,550.0
37 Special Project Income			
38 Contribution Income	46.8	46.8	46.8
41.1 AHR Exposition Income	5,937.5	6,400.0	6,500.0
41.2 Contributions and Matching Gifts	(1,362.9)	(1,347.9)	(1,362.9)
41.3 Exposition Income - Other Countries	170.0		
44 Reserve Transfers	255.0		
46 Miscellaneous Income	389.7	482.9	483.9
TOTAL REVENUES	25,065.8	25,345.4	25,735.4
EXPENSES:			
51 Salaries	8,837.2	9,271.5	9,550.9
52 Payroll Taxes, Benefits, Personnel	2,683.4	2,746.3	2,780.2
61 Publishing	1,134.5	1,155.8	1,177.6
62 Promotion (All Depts)	1,415.8	1,342.5	1,360.5
64 Meetings/Conferences	2,346.7	1,935.0	1,935.2
64 Education Courses/Trainings	697.0	845.5	849.0
66 Travel	1,966.0	2,014.2	2,014.7
68 Awards, Certif, Logo Cost of Goods Sold	164.0	164.0	164.0
71 Research Projects & Grants	182.7	182.7	182.7
73 Special Projects			
76 Public Relations	74.9	74.9	74.9
78 Occupancy & Insurance	759.5	760.5	761.5
82 Office Expense and Organizational Dues	1,532.8	1,539.7	1,552.3
84 Outside Services	2,191.5	2,203.8	2,071.8
88 Other Expenses	765.5	697.5	716.6
88.1 Prepaid Expenses (contra acct)			
89 Opportunity Fund			
90 Depreciation	921.9	906.9	906.9
91 Allocation of Overhead & BOD	(708.8)	(673.8)	(673.8)
TOTAL EXPENSES	24,964.6	25,167.0	25,425.0
SURPLUS (DEFICIT) before reserve income	101.2	178.4	310.4



Summary of Budgets – 3 years

(in Thousands)	Draft Budget FY 2022	Draft Budget FY 2023	Draft Budget FY 2024
Revenues	\$25,065.8	\$25,345.4	\$25,735.4
Expenses	\$24,964.6	\$25,167.0	\$25,425.0
Surplus/(Deficit)	\$101.2	\$178.1	\$310.4

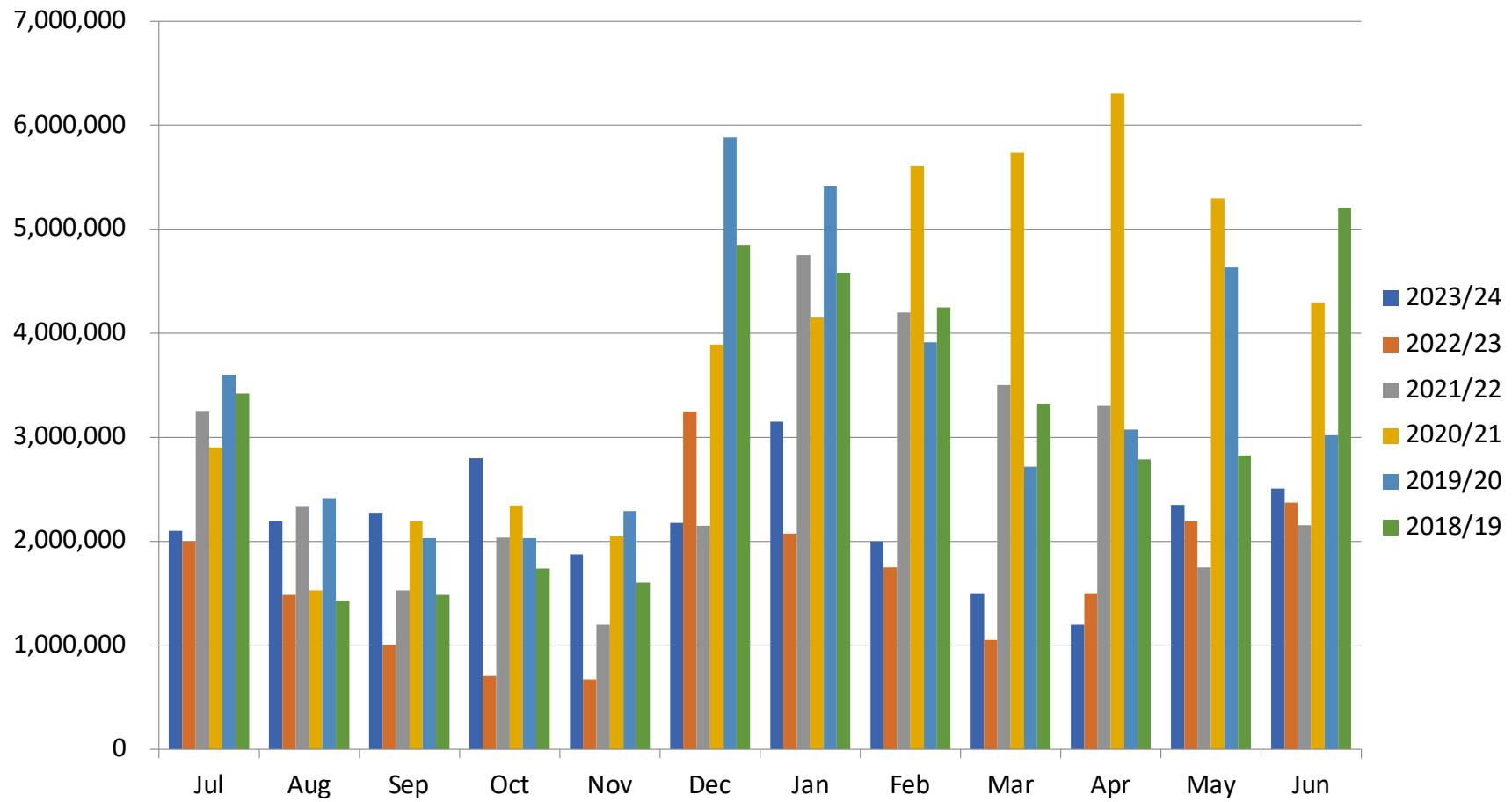
If PPP Loan No. 2 is forgiven surplus will be by approx. \$ 2 million for FY 2022

Statement of Financial Position - Comparative

	5/31/2021	One Year Ago 5/31/2020	Two Years Ago 5/31/2019	Three Years Ago 5/31/2018	Four Years Ago 5/31/2017	Five Years Ago 5/31/2016	Six Years Ago 5/31/2015
Cash	\$6,924.8	\$4,655.3	\$2,891.4	\$1,688.0	\$4,493.0	\$4,458.5	\$3,558.2
Marketable Securities at Market Value	20,556.4	20,431.1	26,104.1	21,300.8	20,081.7	18,434.1	18,867.1
Accounts Receivable	1,079.4	876.6	1,312.7	984.2	1,090.6	1,384.0	1,128.7
Less: Allowance for Uncollectable Accounts	(204.0)	(202.6)	(303.6)	(212.1)	(261.4)	(329.9)	(269.8)
Contribution Pledge Receivables	4,484.0	35.1			0.2	3.6	
Miscellaneous Receivables & Deposits	11.0	10.9	24.8	27.3	14.9	12.1	12.9
Inventory	632.6	827.8	648.8	589.9	642.0	600.5	688.3
Prepaid Expense	913.6	13,942.2	5,605.9	625.1	604.3	389.8	366.2
Property and Equipment-Remaining Value Due To (From) Other Funds	23,640.7	987.8	1,176.0	5,454.9	5,497.9	5,920.2	6,319.0
		1.5					
TOTAL ASSETS	58,038.5	41,565.7	37,460.1	30,458.1	32,163.2	30,872.9	30,670.6
Accounts Payable & Accrued Expenses	4,340.9	6,970.4	6,969.5	4,797.8	3,520.1	4,382.9	3,928.5
Refundable Advances	13.6	16.6	5.1	9.8	13.7	8.5	9.4
Loans	8,742.9	2,191.4					
Deferred Income	5,060.7	4,847.7	5,541.8	5,719.7	7,496.4	7,360.4	7,035.4
TOTAL LIABILITIES	18,158.1	14,026.1	12,516.4	10,527.3	11,030.2	11,751.8	10,973.3
Net Assets Beginning of Year	35,580.5	25,241.1	19,098.1	19,299.9	17,828.2	18,454.9	18,367.6
Net Assets -Surplus/(Deficit) for Current Yr	4,299.9	2,298.5	5,845.6	630.9	3,304.8	666.2	1,329.7
TOTAL LIABILITIES & NET ASSETS	58,038.5	41,565.7	37,460.1	30,458.1	32,163.2	30,872.9	30,670.6
NET ASSETS TO DATE	39,880.4	27,539.6	24,943.7	19,930.8	21,133.0	19,121.1	19,697.3



Cash Flow Projections



Assets Position – May 31, 2021

MANAGED ASSETS

• Equity Mutual Funds & EFTS	8,814,575
• Fixed Income Mutual Funds & EFTS	4,897,822
• Cash Equivalents	43,541
• Total ASHRAE General / Pledged Account	13,755,938

UNMANAGED ASSETS

• Fixed Income Mutual Funds	849,116
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Loans

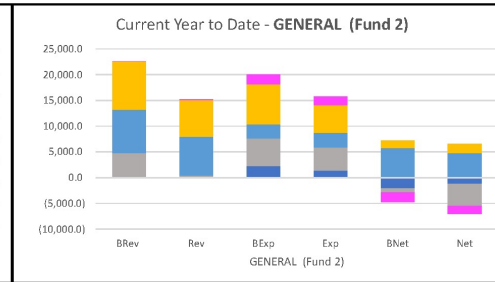
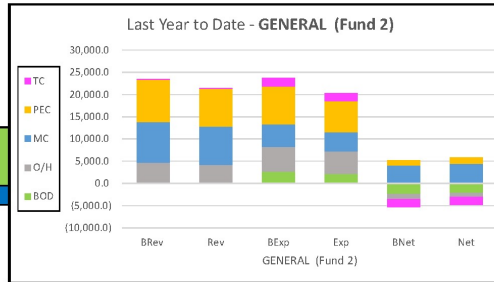
- **Building Loan** \$ 4 million
- Term 7 years
- Annual Interest \$ 33,600
- **PV Loan** \$ 551,490
- Term 5 years
- Monthly Interest \$ 900
- **PPP Loan #2** \$ 2,000,000
- Term 5 years
- Interest rate 1%

General Fund Dashboard

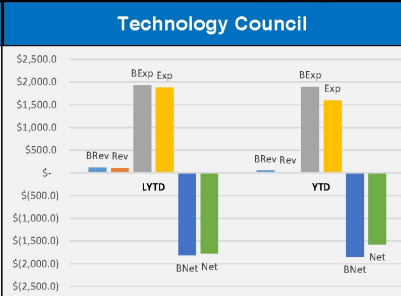
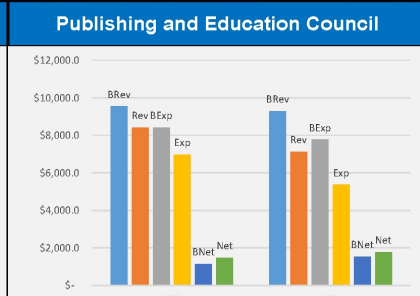
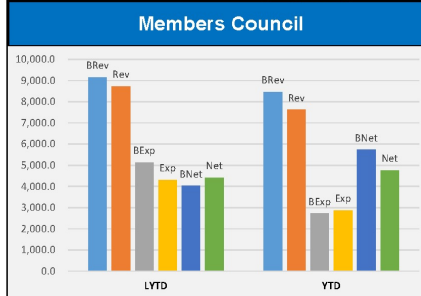


General Fund Dashboard
Eleven Months Ending May 31, 2021

LEGEND:
 BRev = Budgeted revenue;
 Rev = Actual revenues;
 BExp = Budgeted expense before OH&BOD;
 Exp = Actual expense before OH&BOD;
 BNet = Budgeted net;
 Net = Actual net;
 LYTD = last fiscal year to date; YTD = current fiscal year to date; Diff = Difference between LYTD and YTD, either percentage or dollars. **Data source** = Financial statements (roll-ups for BOD, Overhead, MC, PEC, TC). Values = US\$ x1000.



GENERAL (Fund 2)	Last Year to Date						Current Year to Date					
	BOD	O/H	MC	PEC	TC	Total	BOD	O/H	MC	PEC	TC	Total
BRev	238.4	4,433.0	9,152.3	9,538.2	115.2	23,477.1	173.0	4,597.3	8,449.2	9,296.0	49.1	22,564.6
Rev	1.1	4,124.9	8,728.1	8,422.1	109.4	21,385.6	199.2	258.1	7,615.2	7,120.7	21.2	15,154.4
BExp	2,673.0	5,531.9	5,131.0	8,406.7	1,927.9	23,670.5	2,323.4	5,301.6	2,721.9	7,769.7	1,892.8	20,009.4
Exp	2,123.7	5,070.8	4,311.7	6,962.5	1,882.8	20,351.5	1,389.9	4,522.8	2,857.8	5,358.8	1,594.4	15,693.7
BNet	(2,434.6)	(1,098.9)	4,021.3	1,131.5	(1,812.7)	(193.4)	(2,160.4)	(704.3)	5,727.3	1,526.3	(1,843.7)	2,555.2
Net	(2,122.6)	(945.9)	4,416.4	1,459.6	(1,773.4)	1,034.1	(1,220.7)	(4,264.7)	4,757.4	1,761.9	(1,573.2)	(539.3)



MC	LYTD	YTD	Diff v LY
BRev	9,152.3	8,449.2	-8%
Rev	8,728.1	7,615.2	-13%
BExp	5,131.0	2,721.9	-47%
Exp	4,311.7	2,857.8	-34%
BNet	4,021.3	5,727.3	42%
Net	4,416.4	4,757.4	8%
Margin	50.6%	62.5%	23%

PEC	LYTD	YTD	Diff. vs. LY
BRev	\$ 9,538.2	\$ 9,296.0	-3%
Rev	\$ 8,422.1	\$ 7,120.7	-15%
BExp	\$ 8,406.7	\$ 7,769.7	-8%
Exp	\$ 6,962.5	\$ 5,358.8	-23%
BNet	\$ 1,131.5	\$ 1,526.3	35%
Net	\$ 1,459.6	\$ 1,761.9	21%
Margin	17.3%	24.7%	43%

TC	LYTD	YTD	Diff. vs. LY
BRev	\$ 115.2	\$ 49.1	-57%
Rev	\$ 109.4	\$ 21.2	-81%
BExp	\$ 1,927.9	\$ 1,892.8	-2%
Exp	\$ 1,882.8	\$ 1,594.4	-15%
BNet	\$ (1,812.7)	\$ (1,843.7)	2%
Net	\$ (1,773.4)	\$ (1,573.2)	-11%
Margin	-1621.0%	-7420.8%	358%



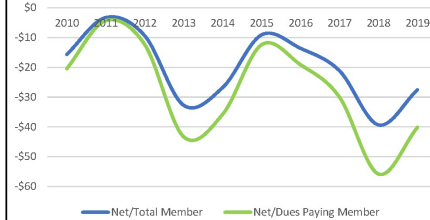
Treasurer's Report Dashboard



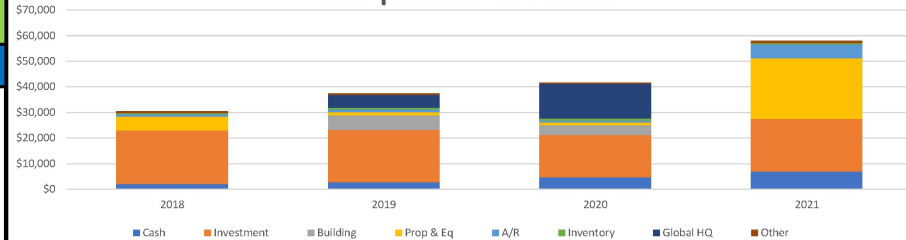
Treasurer's Report

Eleven Months Ending May 31, 2021

Net Cost Dollars per Member

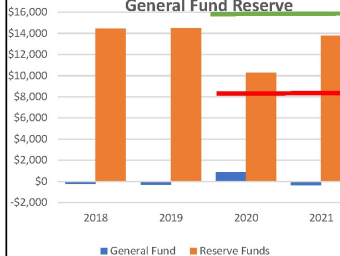


Composition of Assets

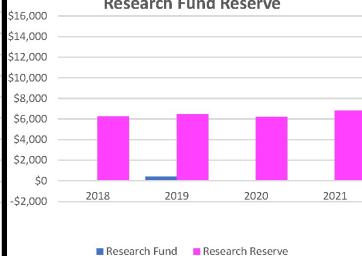


Assets	Cash	Investment	Building	Prop & Eq	A/R	Inventory	Global HQ	Other	Total
2018	\$2,100	\$20,889		\$5,455	\$772	\$614		\$652	\$30,482
2019	\$2,891	\$20,290	\$5,779	\$1,176	\$1,009	\$649	\$5,078	\$553	\$37,425
2020	\$4,655	\$16,631	\$3,800	\$988	\$709	\$828	\$13,600	\$354	\$41,565
2021	\$6,925	\$20,556		\$23,641	\$5,370	\$633		\$914	\$58,039

General Fund Reserve



Research Fund Reserve



REVENUE FY 2021



EXPENSES FY 2021



Reserve Fund	General Fund	Reserve Funds	General Fund Range Information
2018	-\$223	\$14,460	Annual Exp. \$24,000
2019	-\$297	\$14,485	2/3 \$16,000
2020	\$893	\$10,280	1/3 \$8,000
2021	-\$350	\$13,756	

Research Reserve Fund	Research Fund	Research Reserve
2018	\$0	\$6,244
2019	\$386	\$6,437
2020	\$52	\$6,188
2021	\$0	\$6,800

Revenue	
Membership Dues	\$7,638
Publication Sales	\$3,563
Advertizing	\$2,734
Meetings & Seminars	\$689
Education	\$1,484
Contributions	\$316
Exposition	\$0
Other	\$1,794

Expenses	
Personnel	\$10,495
Publications & Promos	\$2,013
Meetings	\$484
Transportation	\$24
Research & Sp.Pubs	\$381
Occupancy & Office	\$2,155
Outside Services	\$2,180
Other	\$835

Notes: All funds in \$US x1000
Additional Financial Notes

Definitions:



Questions?

Thank You!



Certificate of Consolidation of

**AMERICAN SOCIETY OF HEATING AND AIR-CONDITIONING ENGINEERS, INC.
and *The American Society of Refrigerating Engineers***

into

**AMERICAN SOCIETY OF HEATING, REFRIGERATING
AND AIR-CONDITIONING ENGINEERS, INC**

Pursuant to *Section 50* of the Membership Corporations Law:

We, ELMER R. QUEER and AUBRY V. HUTCHINSON, being respectively the president and the secretary of AMERICAN SOCIETY OF HEATING AND AIR-CONDITIONING ENGINEERS, INC., and ROBERT H. TULL and ROBERT C. CROSS, being respectively the vice president and the secretary of *The American Society of Refrigerating Engineers*, do hereby certify:

1. (a) The names of the corporations to be included in the consolidation are AMERICAN SOCIETY OF HEATING AND AIR-CONDITIONING ENGINEERS, INC., and *The American Society of Refrigerating Engineers*.

(b) The certificate of incorporation of AMERICAN SOCIETY OF HEATING AND AIRCONDITIONING ENGINEERS, INC., under the name THE AMERICAN SOCIETY OF HEATING AND VENTILATING ENGINEERS, was filed in the office of the Secretary of State on January 24, 1895, and certificates of amendment thereof were filed on May 20, 1914, March 8, 1946, December 7, 1949, and February 1, 1952. On December 8, 1954, a certificate of change of name from THE AMERICAN SOCIETY OF HEATING AND VENTILATING ENGINEERS to AMERICAN SOCIETY OF HEATING AND AIR-CONDITIONING ENGINEERS, INC., was filed pursuant to *Section 40* of the General Corporation Law

(c) The certificate of incorporation of *The American Society of Refrigerating Engineers*, was filed in the office of the Secretary of State on August 30, 1905, and certificates of amendment thereof were filed on November 26, 1945, November 23, 1955, and December 28, 1956.

1. The name of the consolidated corporation is AMERICAN SOCIETY OF HEATING, REFRIGERATING AND AIR-CONDITIONING ENGINEERS, INC.
2. The territory in which its operations are principally to be conducted is in all parts of the United States, its territories and possessions, in Canada, and in any and all foreign countries and places.
3. The office of the consolidated corporation is to be located at 180 Technology Parkway, Peachtree Corners, GA 30092,

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4. The number of its directors shall be not less than ~~nine, (9)~~ nor more than forty-eight (48).

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The directors and elective officers, and their respective terms of office, shall initially be as set forth in the Agreement for Consolidation, made and entered into as of October 18, 1958, and thereafter the directors and elective officers, and their respective terms of office, shall be as set forth in the bylaws of the consolidated corporation.

In furtherance and not in limitation of the powers conferred by statute, the board of directors, if the bylaws so provide, may designate one or more committees which, to the extent provided in the bylaws of the consolidated corporation, or by resolution or resolutions of the board of directors, shall have and may exercise the powers of the board in the management of the business and affairs of the consolidated corporation that may be delegated to such committee or committees, such committee or committees to have such name or names as may be stated in the bylaws or as may be determined from time to time by resolution or resolutions of the board of directors.

The consolidated corporation may in its bylaws confer powers and authorities upon its board of directors in addition to the powers and authorities expressly conferred by the statutes of the State of New York or by this certificate. All powers of the consolidated corporation, insofar as the same may be lawfully vested in the board of directors, are hereby conferred upon the board of directors of the consolidated corporation.

Both members and directors of the consolidated corporation shall have the power to hold their respective meetings within or without the State of New York; the consolidated corporation shall have the power to maintain offices and keep the books of the consolidated corporation within or without the State of New York, at such place or places as may from time to time be designated by the board of directors.

No officer, director, or member of the consolidated corporation, shall receive or be lawfully entitled to receive any part of the net earnings thereof or any pecuniary profit from the operations thereof, except such reasonable compensation for services in effecting one or more of its purposes as the board of directors may determine.

Each director of the consolidated corporation shall be indemnified by said corporation against expenses actually and necessarily incurred by him in connection with the defense of any action, suit, or proceeding in which he is made a party by reason of his being or having been a director of the corporation, except in relation to matters as to which he shall be adjudged in such action, suit, or proceeding to be liable for willful negligence, misfeasance, or misconduct in the performance of his duties as director; such right of indemnification shall not be deemed exclusive of any other right to which he may be entitled under any bylaw, agreement, vote, or otherwise.

6. The consolidated corporation shall be one of the constituent corporation, to-wit, AMERICAN SOCIETY OF HEATING AND AIR-CONDITIONING ENGINEERS, INC., and not a new corporation.

7. The terms and conditions of consolidation, in addition to those hereinabove set forth, and the mode of carrying the same into effect, are as follows:

1. The purposes of the consolidated corporation are:

(a) To advance the arts and sciences of heating, refrigeration, and air conditioning and ventilation, and the allied arts and sciences, for the benefit of the general public.

(b) To encourage and conduct scientific research and the study of principles and methods in the fields of heating, refrigeration, and air conditioning and ventilation, and the allied arts and sciences, the results of which shall be made freely available to the public.

(c) To promote the unrestricted dissemination of knowledge and information and, for such purpose, to publish and to foster the publication of books, periodicals, papers, reports, educational programs, and scientific and educational data relating to heating, refrigeration, and air conditioning and ventilation, and the allied arts and sciences.

(d) To engage in educational activities (not including the conduct of any school or institution of learning), and to encourage the adoption and maintenance of high standards of instruction and educational and professional training in the fields of heating, refrigeration, and air conditioning and ventilation, and the allied arts and sciences.

(e) To cooperate with governmental agencies and with universities, colleges, schools, and other organizations and groups having the same or similar objects and purposes, and to establish scholarships and make contributions, grants, and awards in furtherance of the foregoing purposes.

(f) To establish, approve, adopt, and promulgate codes, standards, and procedures in the fields of heating, refrigeration, and air conditioning and ventilation, and the allied arts and sciences, subject the proviso that all such activities shall be conducted solely for the advancement of engineering science.

(g) To organize and form local regions, chapters, sections, and student and other branches, and to regulate, operate, and control the same under the direction and at the pleasure of the consolidated corporation, but no local region, chapter, section, or branch shall subject the consolidated corporation to any financial or other obligation except such as the consolidated corporation may voluntarily assume.

(h) To receive, acquire, hold, and maintain any property, real or personal, without limitation as to amount or value, for any of the consolidated corporation's objects, by way of bequest, devise, gift, grant, purchase, or lease, to invest and reinvest the same, to control the income therefrom, and to expend or otherwise dispose of all or any portion of its funds and property, including the income, interest, or principal, subject, however, to any directions or limitations placed upon the same by donors or testators.

(i) To do any and all things necessary or proper in connection with or incidental to any of the foregoing.

(j) The consolidated corporation shall be operated exclusively for scientific and educational purposes; no substantial part of the activities of the consolidated corporation shall be the carrying on of propaganda or otherwise influencing or intending to influence **legislation; in the event** of the dissolution of the consolidated corporation, the board of directors shall dispose of its net assets, in trust, however, to further the purposes expressed herein, without preference in favor of any contributor or any member, officer, or director of the consolidated corporation, and subject to the order of a Justice of the Supreme Court.

1. Upon the filing of this Certificate of Consolidation in the office of the Secretary of State, each member of the constituent corporations shall have and possess the highest grade of membership in the consolidated corporation as was upon such filing held by him in either of the constituent corporations and each member of the constituent corporations then entitled to vote therein shall possess the power to vote in the consolidated corporation for the election of directors and for all other purposes conferred upon voting members by the laws of the State of New York, this Certificate of Consolidation, and the bylaws.
2. Except as provided in subdivision (5) of this Paragraph 7, upon the filing of this Certificate of Consolidation in the office of the Secretary of State, the separate existence of each constituent corporation, except the consolidated corporation, shall cease and the consolidation shall be effective, as provided in *Section 53* of the Membership Corporations Law, and the consolidated corporation shall possess all of the powers of the constituent corporations, and shall have the powers and be subject to the duties and obligations of a membership corporation formed under the laws of the State of New York for like purposes.
3. Upon the filing of this Certificate of Consolidation in the office of the Secretary of State, all the rights, privileges, and interests of each of the constituent corporations, all the property, real, personal, and mixed, and all the debts due on whatever account to either of them, and other things in action belonging to either of them, shall be deemed to be transferred to and vested in the consolidated corporation without further act or deed, and all claims, demands, property, and every other interest, whether vested or contingent, shall be as effectually the property of the consolidated corporation as they were of the constituent corporations, and the title to all real estate, taken by deed or otherwise under the laws of the State of New York vested in either of the constituent corporation, shall not be deemed to revert or be in any way impaired by reason of the consolidation but shall be vested in the consolidated corporation.
4. Except as provided by *Section 12* of the Personal Property Law, or *Section 113* of the Real Property Law, any devise, bequest, gift, or grant contained in the will of a person dying domiciled in the State of New

York, of in any other instrument executed under the laws of said State, taking effect after such consolidation, to or for either of the constituent corporations, shall inure to the benefit of the consolidated corporation, and so far as is necessary for that purpose, or for the purpose of a like result with respect to devise, bequest, gift, or grant governed by the law of any other jurisdiction, the existence of each constituent corporation shall be deemed to continue in and through the **consolidated corporation**.

5. Upon the filing of this Certificate of Consolidation in the office of the Secretary of State, the consolidated corporation shall be deemed to have assumed and shall be liable for all the liabilities and obligations of the constituent corporations, in the same manner as if such consolidated corporation had itself incurred such liabilities and obligations.

IN WITNESS WHEREOF, we have made and subscribed this certificate this 16th day of January, 1959.

ELMER R. QUEER *(signed)*

President of AMERICAN SOCIETY OF HEATING AND AIR-CONDITIONING ENGINEERS, INC.

AUBRY V. HUTCHINSON *(signed)*

Secretary of AMERICAN SOCIETY OF HEATING AND AIR-CONDITIONING ENGINEERS, INC.

ROBERT H. TULL *(signed)*

Vice President of The American Society of Refrigerating Engineers

ROBERT C. CROSS *(signed)*

Secretary of The American Society of Refrigerating Engineers

Certificates of change were filed: June 30, 1964, January 25, 1981 and June xx, 2021.

Deleted: and



ASHRAE BYLAWS

June 2021

Deleted: July 2020

Article I ORGANIZATION

Section 1.1 Name. The name of this Society is American Society of Heating, Refrigerating and Air-Conditioning Engineers, Inc., and its abbreviated title is ASHRAE.

Section 1.2 Organization. This corporation shall be governed by the New York Not-for-Profit Corporation Law, or under such successor provisions as may be in effect from time to time.

Section 1.3 Objectives. The Society is organized and operated for the exclusive purpose of advancing the arts and sciences of heating, refrigerating, air conditioning, and ventilating, the allied arts and sciences, and related human factors for the benefit of the general public, as defined in the Certificate of Consolidation. To fulfill its role, the Society shall recognize the effect of its technology on the environment and natural resources to protect the welfare of posterity.

Section 1.4 Dissolution. In the event of dissolution of the Society, whether voluntary, involuntary, or by operation of law, any disposition of the assets of the Society shall be made only to such organizations as shall at that time have exempt status under Section 501 (c)(3) of the Internal Revenue Code of 1954, as amended, or under such successive provision of the Code as may be in effect at the time of dissolution.

Article II MEMBERSHIP

Section 2.1 Grades of Membership. These shall be designated as follows: (A) Honorary Member, (B) Presidential Member, (C) Fellow, (D) Life Member, (E) Life Associate Member, (F) Member, (G) Associate Member, (H) Affiliate Member, and (I) Student Member.

Section 2.2 Honorary Member. Any notable person of preeminent professional distinction may be elected an Honorary Member. Election of an Honorary Member shall be by the Board of Directors.

Section 2.3 Presidential Member. Upon the installation of a successor, the outgoing President of the Society shall become a Presidential Member.

Section 2.4 Fellow. A Member who has attained distinction in the arts relating to the sciences of heating, refrigerating, air conditioning, or ventilating, or the allied arts and sciences, or in the teaching of major courses in said arts and sciences, or who by reason of invention, research, teaching, design, original work, or as an engineering executive on projects of unusual or important scope, has made substantial contribution to said arts and sciences, and has been in good standing as a full grade Member for at least ten (10) years is eligible for election to the grade of Fellow by the Board of Directors.

Section 2.5 Life Member. A Member who has been a full Member in good standing for an accumulative total of thirty(30) years and who has attained the age of sixty-five (65) years. The member shall retain all the rights and privileges of the most recent membership grade.

Section 2.6 Life Associate Member. A member who has been an Associate Member in good standing for an accumulative total of thirty (30) years and who has attained the age of sixty-five (65) years. The member shall retain all the rights and privileges of the most recent membership grade.

Section 2.7 Member. A Member shall have the equivalent of twelve Society-approved years of experience composed of an approved combination of (a) completed education beyond high school, (b) work experience, and (c) professional engineering or related professional registration or license issued by a legally authorized body.

Approved engineering curricula shall be equivalent to that accredited by the Accreditation Board for Engineering and Technology in the United States of America or the Canadian Engineering Accreditation Board. Scientific education in fields other than engineering shall be from a college or university course of study which has been accredited by an organization charged with monitoring standards of performance.

Society-approved years of experience shall be credited as follows:

One and one-half years of credit for each year of

completed education for graduates of approved technical curricula.

One year of credit for each year of education for non- graduates who have completed at least two years of approved technical curricula.

One year of credit for each year of completed education for graduates of colleges or universities which do not have accreditation. Those holding associate degrees from technical institutions shall also be credited for one year for each year of education.

One year for each year of qualifying work experience in the performance of duties in work related to ASHRAE fields of interest and shall have included research, teaching, design, contracting, engineering sales, or engineering management.

Three years of credit for professional registration or license issued by a legally authorized body in engineering or related fields, the requirements of which as to education examination, and active practice are satisfactory to the Board of Directors

One year of credit maximum for ASHRAE Certified Professional credential(s).

Section 2.8 Associate Member. An Associate Member shall have had experience in technical matters or in design, operation, or maintenance in heating, refrigerating, air- conditioning, or ventilating fields; shall have an interest in the advancement of the Society's aims; and shall possess sufficient qualifications to cooperate with heating, refrigerating, air-conditioning, or ventilating engineers in the advancement of the knowledge relating to heating, refrigerating, air-conditioning, or ventilating engineering and its application.

Section 2.9 Affiliate Member. An Affiliate Member shall have the same qualifications as an Associate Member. The benefits of this member grade shall be determined by the Board of Directors and shall not exceed those of Associate Member.

Section 2.10 Student Member. A Student Member shall be matriculated in an approved course of study in Society- related fields of education at a university, college, junior college, or technical institute. The Board of Directors may establish other criteria for acceptable student membership.

Section 2.11 Voting Membership. Voting members shall consist of Honorary Members, Presidential Members, Fellows, Life Members, Members, Life Associate Members, and Associate Members.

Student Members shall have the right to vote and hold office at the Student Branch level only.

Section 2.12 Restrictions. No member shall describe himself/herself in connection with the Society in any advertisement, letterhead, printed matter, or in any manner other than as a member of his/her assigned grade, except in official business of Society or as otherwise authorized by the Board of Directors.

Section 2.13 Rights and Privileges. Rights and privileges shall be personal to a member and shall not be delegated or transferred, except that each member entitled to vote may vote in person or by written proxy given to another member entitled to vote and dated within three months of date of execution. Such proxy shall be subject to provisions as may be set forth by Rules of the Board.

Section 2.14 Cessation of Rights, Title, and Interest. All rights, title, and interest of a member in the Society or its property shall cease on the termination of membership by death, resignation or otherwise and shall vest in the Society.

Section 2.15 Obligations of Members. Each member, upon election to membership, shall be bound thereupon by the provisions of the Certificate of Consolidation, Bylaws, Rules of the Board of Directors, ASHRAE Code of Ethics, and all amendments thereto.

Section 2.16 Emblem of Membership. Any Society emblem of membership may be worn only by members in good standing.

Section 2.17 Resignation. Any member may resign at any time by such member's written request received by the Secretary.

Section 2.18 Fees and Annual Dues. All fees and annual dues shall be fixed and payable as determined by the Board of Directors from time to time and shall be published periodically in the official publication of the Society.

Presidential Members, Life Members, and Life Associate Members shall not be required to pay annual dues.

Fees and annual dues for Honorary Members and members who are retired shall be at the discretion of the Board of Directors.

Section 2.19 Dues Payment. If any Fellow, Member, Associate Member, or Affiliate Member shall fail to pay the current dues by three months after the due date, the member shall be classed as delinquent and, if a Voting Member, shall lose the member's right to vote. If such dues are not paid by six months after the due date, membership in the Society shall cease.

If any Student Member shall fail to pay the dues,

membership shall cease, and the Secretary shall notify such Student Member that his/her membership in the Society has ceased.

A member, upon written application accompanied by payment of dues and a satisfactory explanation of dues default, may have the forfeiture of membership rescinded at the discretion of the Board of Directors.

Section 2.20 Reinstatement. A member who has resigned or who has been dropped from membership may be reinstated by payment of the same fees charged a new member, or may be reinstated as of the original date of membership if the member pays all years of lapsed membership dues accrued based on the current membership dues rate.

Section 2.21 Discipline. The Board of Directors may, by a two-thirds vote of all the members thereof, censure, suspend, or expel any member if, in the opinion of the Board of Directors, the member is guilty of abuse or misuse of the privileges of the Society membership or of action prejudicial to the best interest of the Society. Such action may be taken only after written preferment of charges, thirty (30) days' written notice of hearing sent by registered mail, and adequate opportunity to be heard before the Board of Directors or a committee of at least three (3) members designated by the Board of Directors.

Section 2.22 Admission Applications. All applicants for admission to the Society or for advancement in grade of membership, except such as are conferred as an honor, shall make application in such form and with such information as shall be required by the Board of Directors.

Article III MEETINGS OF MEMBERS

Section 3.1 Annual, Winter, and Special Meetings. The annual and winter meetings of the Society shall commence on a day and at a time fixed by the Board of Directors and shall continue from day to day until adjournment. Special meetings may be called at any time by the Board of Director and shall be called by the Board of Directors upon written request of the President or by not less than 300 voting members, of which not more than 150 of such voting members shall be from any one region. Meetings shall be held at such places as shall be fixed by the Board of Directors and stated in the notice of the meeting. At any meeting of the Society, the presence of members entitled to cast the lesser of 100 votes or 1/10th of the total number of Society voting members shall constitute a quorum.

Section 3.2 Notice of Meetings. Notice of meetings of the Society stating the place, name and hour of the meeting shall be given in writing by the Secretary not less than fifteen nor more than fifty days before the date fixed for the meeting, by means of the official publications of the Society to each member of the Society at the member's last known address appearing on the records of the Society. Notice of a special meeting shall state the purpose for which the meeting is called, and that it is being issued by or at the direction of the person or persons calling the meeting. No business other than that set forth in the notice shall be entertained or transacted thereat. Notice of a meeting at which a vote is to be taken upon an amendment of the Bylaws shall set forth the wording of the proposed amendment.

Section 3.3 Voting. At any annual, winter, or special meeting, each voting member, as defined in Section 2.11, shall be entitled to one vote, which may be cast in person or by proxy. A proxy shall not be valid longer than three months from its date of execution.

Nominations shall be put forward by the Nominating Committee as hereinafter provided in Section 7.6.

Nominations may also be made in writing by petition signed by not fewer than 1/2 of 1% of the members eligible to vote. No more than 50% of the petitioners belonging to any single region shall count towards the required minimum. The minimum number of members eligible to vote shall be based on the Society's membership roster as of the first day of the Society year.

Upon presentation of such nominations by petition to the Secretary with each nominee's written consent, not less than one hundred twenty days prior to the first session of the annual meeting, the nominees' names shall be placed upon the ballot. A notation on the ballot shall indicate that such nominees are presented by members independent of the Nominating Committee.

Section 3.4 Ballot and Proxies. The Secretary shall arrange for the distribution of appropriate proxies, which shall contain space for write-in names, to all voting members. Such distribution may be by mail, by electronic communications or by publication of such proxies in the official publication of the Society.

Section 3.5 Record Date. For the purpose of determining the members entitled to notice of and to vote at the annual meeting of the membership or any adjournment thereof and to express consent to and dissent from any proposal, the date 50 days prior to the annual meeting is hereby fixed as the record date for such determination unless the Board of Directors takes action to make it some other date.

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**Article IV
BOARD OF DIRECTORS**

Section 4.1 Membership. The Board of Directors shall consist of voting and non-voting members.

The voting members of the Board of Directors shall be the President, President-Elect, Treasurer, elected Vice Presidents, ~~Society Directors - Regions and Society Directors - Technology.~~

The non-voting members of the Board of Directors shall be the Secretary and others as designated in the Rules of the Board.

Section 4.2 Election. Except as set forth in Section 4.3 and Article V, all elected members of the Board shall be elected at the annual meetings of the Society for terms of three years, or until their successors have been elected and installed. ~~Not more than three members of the Board shall be from any one region at the time of nomination.~~ If the membership of the Board of Directors is changed, the Board of Directors may, at the time of such change, vary initial terms of office in order to have a uniform number of directors elected each year.

Only Fellows, Life Members, and Members shall be eligible for election as voting members of the Board of Directors.

Section 4.3 Vacancies. If a director dies, resigns, is removed, or otherwise vacates the office, the Board of Directors may elect a successor to complete such director's unexpired term, except as hereinafter provided in Article V for those directors who also hold the office of President or President-Elect. No person shall hold more than one position on the Board of Directors at any one time. A director may be removed for cause by a majority vote of the membership or a 2/3 vote of the Board of Directors.

Section 4.4 Powers. The Board of Directors shall have full and complete management and control of the activities and funds of the Society and may adopt such rules and regulations for the conduct of its meetings, the exercise of its powers, and the management of the affairs of the Society as it may deem proper, subject to the provisions of the laws of the State of New York, the Certificate of Consolidation and these Bylaws.

Any action required to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all members of the Board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee. Actions permitted, but not required to be taken at a meeting, may be taken by

Section 4.5 Meetings by Means of Conference Telephone. Unless otherwise provided by the Certificate of Consolidation or these Bylaws, members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors or such committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this Section constitutes presence in person at such meeting.

Section 4.6 Referendum. The Board of Directors may refer to the Society any important question to be decided by a majority of the votes cast at a regular or special meeting of the Society. Such a referendum shall be used by the Board to advise it regarding any proposed action to take within its power. ~~The Board of Directors shall not submit a referendum to the membership that is frivolous or would result in a violation of the law, the Certificate of Consolidation, these Bylaws or any fiduciary responsibility of the Society.~~

The Board of Directors may initiate such a referendum at its own discretion or when requested through a valid membership petition. A valid petition must be signed by not less than 300 voting members, of which not more than 150 of such voting members shall be from any one region. Such petition shall not be valid until the Secretary has certified the signatures of the petitioners. The Board must act on this petition no later than its first meeting once 60 days has elapsed from the time the Secretary has certified the petition as valid. The Board of Directors may clarify the question raised by the petition to make it suitable for a vote of the membership. The Board of Directors must submit to the membership a suitable question raised by a petition. The Board of Directors is required to include a summary of the information in the petition, as well as any position it has taken, along with the question.

Section 4.7 Meetings and Quorum. The Board of Directors shall hold regular meetings at approximately the time of the regular meetings of the Society and as often and at such times as the Board of Directors may from time to time designate. Special meetings of the Board may be called by the President or by three (3) voting members of the Board. The Board of Directors shall keep a record of its proceedings and shall report on its activities at each meeting of the Society and shall present a written report at the annual meeting. A majority of the voting members of the Board of Directors shall constitute a quorum.

Meetings of the Board of Directors may be called into executive session, during which only Board members and such individuals as are individually recognized

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by the President shall be included.

Section 4.8 Notice. Notice of any regular or special meeting of the Board of Directors shall be given in writing or by electronic communications to each director at least fifteen days before the meeting or transmitted orally at least forty- eight hours before the meeting. A director who attends a meeting is deemed to have waived the right to notice.

Article V OFFICERS

Section 5.1 Officers. The officers of the Society shall be the President, President-Elect, Treasurer, Vice Presidents, and Executive Vice President acting as Secretary. The President-Elect, Treasurer, and elected Vice Presidents shall each be elected annually at the annual meeting of the Society, and their terms of office shall continue until their successors have been elected and installed. Elected officers shall receive no salary, emolument, or compensation for services rendered to the Society as officers. The Treasurer and the Vice Presidents shall be eligible for re-election to the same office for one additional consecutive year. The President shall not be eligible to serve in the same office, and the President-Elect shall not be eligible for re-election to the same office, for an additional consecutive year.

Section 5.2 Duties. All officers of the Society shall perform the duties customarily attached to their respective offices and such other duties incident to their respective offices as are delegated to them by these Bylaws or as assigned to them by the Board of Directors.

Section 5.3 President. The President shall have general direction of the affairs of the Society, and general supervision over its several officers, subject, however, to the control of the Board of Directors. The President shall, at each annual meeting and from time to time, report to the members and to the Board of Directors all matters within the President's knowledge which the interest of the Society may require to be brought to their notice; shall preside at all meetings of the members and at all meetings of the Board of Directors; and in general shall perform all duties incident to the office of President and such other duties assigned by the Board of Directors or prescribed by these Bylaws.

Section 5.4 President-Elect. The President-Elect shall automatically succeed to the office of the President at the conclusion of the President's term of office. If the President dies, resigns, or is removed from office, the President-Elect shall immediately become President and shall serve for the remainder of the term of his/her immediate predecessor. If the time served is less than six months, he/she shall also serve as President for the next Society year. If the President-Elect dies, resigns, is removed from

office or becomes President in accordance with the foregoing provisions, the office of President-Elect shall remain vacant until the next annual meeting of the Society. If there is a vacancy in the offices of both President and President-Elect, the Treasurer shall act as President until the next annual meeting of the Society. The President-Elect shall perform all duties assigned by the Board of Directors or prescribed by these Bylaws.

Section 5.5 Executive Vice President. The Executive Vice President shall be appointed by the Board of Directors under an employment agreement approved by the Board of Directors, fixing salary, term of employment, and other conditions. The title "Executive Vice President" shall be an honorific, shall not constitute an elected office of the Society for any purpose, and may be changed by action of the Board of Directors.

The Executive Vice President shall serve as Society Secretary and perform all duties normally associated with that office and those assigned by the Board of Directors or prescribed by these Bylaws. The Executive Vice President shall represent the Society with respect to administrative matters in conjunction with other technical organizations and shall have primary responsibility for staff and personnel matters. The Executive Vice President shall serve as chief staff officer for the Society.

The Executive Vice President may take part in the deliberations of all committees except the Nominating Committee but shall not have a vote therein. The Executive Vice President, under the supervision of the Finance Committee, shall have charge of the collections and of keeping the books. The Executive Vice President shall present, at the meeting of the Society following the close of the fiscal year, a summary of membership enrollment and other pertinent records, and shall perform such other duties as may be assigned by the Board of Directors, the Executive Committee, or the President.

Section 5.6 Treasurer. The Treasurer shall have custody of the funds of the Society and the Society's books of account, which shall be open to the inspection of any member of the Board of Directors. The Treasurer shall chair the Finance Committee.

Section 5.7 Vice Presidents. The Vice Presidents shall perform the duties assigned by the Board of Directors.

Section 5.8 Presiding Officer at Meetings. At all meetings of the Society and of the Board of Directors, the President, or in the President's absence, the President-Elect, or in the President-Elect's absence, the Treasurer, or in the Treasurer's absence, a

Deleted: one of the elected Vice Presidents in the order of their seniority as members of the Society, or in their absence, a

Director selected by the Board of Directors, shall preside.

Section 5.9 Expenditures. The expenditure of the Society's funds shall be governed by the budget as approved, modified, or amended by the Board of Directors, and no additional expenditures shall be made without the approval of the Board of Directors.

**Article VI
COUNCILS**

Section 6.1 Councils of the Society. The councils of the Society are extensions of the Board of Directors and, except as otherwise restricted by law, shall administer the policies of the Board. The Board of Directors shall prescribe the qualifications of members of the councils and the number of councils. The Board of Directors may from time to time create councils and define their powers and duties, and it may abolish any such councils.

The councils of the Society shall be comprised of members elected or designated by the Board of Directors. The Board of Directors may, in addition, adopt rules specifying the size of the councils and the length of term those members elected by the Board of Directors may serve, except as otherwise provided in these Bylaws.

Section 6.2 Council Authority. The councils shall act on behalf of the Board of Directors within limits of fiscal and functional authority granted to them by the Board of Directors, implement Society policy, and administer activities of the committees within their organizational structure.

Section 6.3 Council Leadership. The chair and vice-chair of each council shall be a Society vice-president.

Section 6.4 Reporting. All councils shall render reports of their activities to the Board of Directors at meetings of the Society and shall submit progress reports at other times as requested by the Board of Directors.

Section 6.5 Members Council. The Members Council shall have a Society officer as its chair, one or more officers as vice chairs, a member selected by each Chapters Regional Committee, and other members as specified by the Board of Directors. As directed by the Board of Directors, the said council shall be responsible for procedures and operations of regions, chapters, sections, and branches.

**Article VII
COMMITTEES**

Section 7.1 Committees of the Society. The standing committees of the Society shall be the

committees prescribed by these Bylaws. The Board of Directors may from time to time create other standing or special committees as it deems necessary to carry on the work of the Society and shall prescribe their powers and duties, and it may abolish any such committees.

Section 7.2 Committee Members. Unless otherwise provided in these Bylaws, the Board of Directors shall prescribe the qualifications of members of committees and the number of committees. It may, in addition, unless otherwise provided, adopt rules specifying the powers and duties of committees, their size, the length of terms members may serve, when members may be reappointed, selection procedure, and approval of appointments, except as otherwise provided in these Bylaws.

Unless otherwise provided, the committee members and the respective chairs thereof shall be selected by the President-Elect in advance of the annual meeting and be confirmed by the President-Elect when he/she takes office as President, with the approval of the Board of Directors at the first meeting called after the report on the election. Committees may hold their organizational meetings at any time after they are thus confirmed.

The Chair and Vice Chair of each committee shall hold the grade of Member or higher in the Society, except as otherwise provided in these Bylaws.

The President may appoint any person or persons to serve in a consulting capacity to any committee except the Nominating Committee.

Section 7.3 Executive Committee. The Board of Directors, by resolution adopted by a majority of the entire Board, may designate from its membership an Executive Committee. Unless otherwise provided by the Board, the members of the Executive Committee shall be the President, President-Elect, Treasurer, elected Vice Presidents, and the Secretary, who is a non-voting member. The committee shall meet at the call of the President or upon request of any two of its members.

The Executive Committee shall investigate and make reports and recommendations to the Board of Directors regarding matters relating to the Society or members thereof. During intervals between Board of Directors meetings, the Executive Committee shall exercise administrative powers of the Board of Directors. Matters of policy determined by the Executive Committee between meetings of the Board of Directors shall be submitted for approval to the Board of Directors at its next meeting.

Meetings of the Executive Committee may be called into executive session during which only

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members of the committee and such other individuals recognized by the President shall be included.

Section 7.4 Finance Committee. This standing committee of the Society shall oversee the financial operation of the Society. The number of members of the Finance Committee shall be determined by the Board of Directors and shall include the Treasurer and at least seven (7) other members of the Society. Meetings of the Finance Committee may be closed to other individuals except members of the Board of Directors at the discretion of the Chair.

Section 7.5 Chapters Regional Committees. These standing committees of the Society each serve one Society region. Each Chapters Regional Committee shall consist of one delegate and one alternate delegate selected by each chapter therein, to serve for a term of one year, and the Regional Director, for the area, who shall be the chair of the committee. Each committee shall solicit from the chapters, sections, and student branches within their respective regions recommendations concerning the policies, procedures, and operation of the Society, its chapters, sections, and student branches. It shall review the same and make recommendations thereon to the Members Council. Said committees shall elect one member and one alternate from their respective regions to serve on the Nominating Committee and duly notify the Secretary of such selections. The alternate delegates of Chapters Regional Committees may be present at committee meetings and participate in the deliberations, but shall not vote except in the absence of the committee delegates for whom they respectively are alternates.

Section 7.6 Nominating Committee. This standing committee of the Society shall select candidates for elected officers and members of the Board of Directors. It shall consist of at least twenty-two members, each of whom shall hold the grade of Member or higher in the Society. Each shall have been a full Member in good standing in the Society for a period of at least five years at the time of selection. Committee membership shall be comprised of the chair, the vice chair, one member and one alternate from each region of the Society selected by the Chapters Regional Committee of each respective region, and at least eight members and eight alternates selected by the Board of Directors.

The immediate Past President or the most recent Past President willing to serve shall serve as Vice Chair of the committee and then advance to Chair when replaced as Vice Chair.

The Nominating Committee shall serve during the Society year for which it is elected. Members and alternates shall be selected as follows: Regional electees by the Chapters Regional Committees at

their regularly-called meetings; Board of Directors selectees by the Board at a regular meeting.

There shall not be more than three members and three alternates from any one region, except for the Chair and Vice Chair. No member of the Board of Directors shall be eligible to serve on the Nominating Committee.

Section 7.7 Research Administration Committee. This standing committee, the members of which are elected individually by the Board of Directors, shall conduct and coordinate basic and applied research, including technical studies, in the fields of heating, refrigerating, air conditioning and ventilating subject to the proviso that these activities shall be devoted to the public welfare and general benefit, and shall not be designed to promote any individual, private, or commercial interests.

Section 7.8 Technical Activities Committee. This standing committee, the members of which are elected individually by the Board of Directors, shall plan for and have charge of the activities of the technical committees, task groups and technical resource groups appointed to further the advancement of the arts and sciences of heating, refrigerating, air conditioning, ventilating, and the allied arts and sciences for the public benefit. Subject to the procedures prescribed by the Board of Directors, the Technical Activities Committee shall approve the formation of technical committees, task groups and technical resource groups as necessary to carry out the objectives of the committee. The committee shall also determine the scope of activities of each of these technical committees, task groups and technical resource groups.

Section 7.9 Standards Committee. This standing committee of the Society, the members of which are elected individually by the Board of Directors, shall be responsible for the selection, development, preparation, and submittal to the Board of Directors of all codes, standards and guidelines in the fields of heating, refrigerating, air conditioning, and ventilating engineering. Subject to the procedures prescribed by the Board of Directors, the Standards Committee shall also develop, prepare and submit all revisions, reaffirmations or withdrawals thereof, to be considered for approval. It shall cooperate with and supervise the Society's participation in other organizations in the development, preparation, and adoption of codes, standards and guidelines. The activities of the committee shall be solely for the development of engineering science, and the committee shall not engage in activities designed to promote any individual, private, or commercial interests.

Section 7.10 Reporting. Committees of the Society shall report as directed by the Board of

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Directors or on request of the President. The Nominating Committee shall not be required to report deliberations of its nominations to the Board of Directors.

Section 7.11 Removal. The Board of Directors may, by a two-thirds vote, remove a member of any committee.

**Article VIII
INDEMNIFICATION**

The officers and directors of the Society shall have the full rights to indemnification permitted by the New York Not-For-Profit Corporation Law and such successor provisions thereof as may be in effect from time to time.

**Article IX
CHAPTERS AND REGIONS**

The Board of Directors may establish chapters, sections, branches and regions, in areas having an adequate number of Society members for proper support, which shall operate under the provisions of the Certificate of Consolidation, Bylaws of the Society, and the Rules of the Board of Directors. The Board may delegate the chartering of chapters, branches and sections.

**Article X
MISCELLANEOUS**

Section 10.1 Fiscal Year. The fiscal year of the Society shall end on June 30 of each year.

Section 10.2 Official Publication. The Board of Directors shall designate one or more of the publications as the Official Publication of the Society sent to all voting members for the publishing of official notices.

**Article XI
FUNDS**

Section 11.1 Society Reserve Fund. Certain funds, as may from time to time be recommended by the Finance Committee and approved by the Board of Directors, shall be set aside and the principal thereof maintained as a Society General Reserve Fund. The Board of Directors is authorized and empowered, in any fiscal year in which the Society's revenues may be insufficient to meet expenses, to utilize up to a maximum of twenty percent (20%) of the Society General Reserve Fund as valued on the first day of the fiscal year. The Board of Directors shall not approve an annual budget requiring more than 20% of the General Reserve Fund to be budgeted as revenue, unless the Board, by a 2/3 vote in favor, approves exceeding the 20% limit.

Section 11.2 Allocation of Dues for Research. The Board of Directors shall determine the amount of the member dues income that shall be allocated for basic or fundamental research in the principles and laws underlying matters in the arts relating to the sciences of heating, refrigerating, air conditioning and ventilating, and the allied arts and sciences.

Section 11.3 Audit. After the close of the fiscal year, the accounts of the Society shall be audited by a certified public accountant approved by the Board of Directors, and the auditor's report shall be published in the official publication as soon as practicable, but no later than six months after the end of the fiscal year.

**Article XII
AMENDMENTS**

Section 12.1 Notice. Written notice of a proposed amendment to these Bylaws, approved by two-thirds of the members of the Board of Directors or by 300 voting members, of which no more than 150 of such voting members shall be from any one region, may be given at any duly convened meeting of the Society. Notice of such proposed amendment shall be set forth in the notice of the next succeeding meeting of the Society. The Bylaws shall be amended by two-thirds of the votes cast at such meeting.

Section 12.2 Renumbering. The Board of Directors may, by a two-thirds vote, renumber existing articles or sections of these Bylaws.