

## Arkansas Academy of Mechanical Engineering (AAME) Winter Board Meeting Minutes February 10<sup>th</sup>, 2023

### CALL TO ORDER AND OPENING STATE OF THE ORGANIZATION REMARKS

The Winter Board Meeting of the Arkansas Academy of Mechanical Engineering was called to order at 11:03 a.m. CST on Friday, February 10<sup>th</sup>, 2023, by President Cristine Wolf. President Wolf opened by saying how wonderful it was to have so many members in attendance and that she was looking forward to the upcoming years for AAME.

### IN ATTENDANCE

Mike Anderson	Danny Hughes	Greg Sisti
Stacey Archer	Ted Ivy	Darren Talley
Zane Boatwright	Kyle Johnson	Katrenia Taweel
Roger Cordes	Jack Murders	Scott Turley
Kerry Gaston	Darin Nutter	Tom Weiss
Rodney Goodwin	Pete Opper	Daniel Wilson
Melynda Hart	Nathan Porbeck	Cristine Wolf
Bob Harrison	Robert Porbeck	
Jeff Hayes	John Reynolds	

### APPROVAL OF PREVIOUS MEETING MINUTES

Secretary Pete Opper submitted minutes from the October 14<sup>th</sup>, 2022 Fall Meeting for approval, which had been emailed to membership by Melynda. Jeff motioned to approve, Mike Anderson seconded and the Board approved the minutes.

### TREASURER'S REPORT

Treasurer Jeff Hayes presented the Treasurer's Reports for the FY2023 2<sup>nd</sup> quarter ending on December 31<sup>st</sup>. Starting with the General Accounts Report, Treasurer Hayes said that we had a huge 2<sup>nd</sup> quarter as measured by member contributions. Other than that, we didn't have much activity. If you look at the change from the last report, interest and expenses were routine, our investments were at a slight loss and we ended the quarter with a balance of \$315,291.17. The General Accounts Report is shown below.

## FY2023 (2022-2023) 2<sup>nd</sup> Quarter General Accounts Treasurer's Report

ARKANSAS ACADEMY OF MECHANICAL ENGINEERING  
University of Arkansas, ME Bldg., Fayetteville, AR 72701, 479-575-4153

### General Accounts Report

Dec 31st, 2022

		Change from Last Report
<b>Beginning Balance as of July 1, 2022:</b> .....	<b>\$ 214,109.08</b>	
<b>Income:</b>		
Member Contributions .....	\$ 107,907.12	\$ 107,232.12
Matching Gift Contributions .....	\$ 300.00	\$ 300.00
Misc. Income .....	\$ -	\$ -
Total .....	\$ 108,207.12	\$ 107,532.12
<b>Expenses / Transfers out:</b>		
Student Competitions .....	-	\$ -
Special Projects .....	-	\$ -
Banquet Expenses .....	147.36	\$ -
Misc. Expenses .....	-	\$ -
<b>Transfers to:</b>		
Scholarship Investment Account .....	-	\$ -
Scholarship Spending Account .....	(785.86)	\$ -
Total .....	\$ (638.50)	\$ -
<b>Investment Income, Expenses, and Gain/Loss:</b>		
<b>Interest Income:</b>		
Investment Act. (TRP) .....	\$ 363.20	\$ 189.57
Spending Act. (N/E) .....	\$ 136.11	\$ 67.11
<b>Overhead:</b>		
Foundation .....	\$ (71.38)	\$ (35.91)
Development .....	\$ (356.89)	\$ (179.53)
Investment Gain/Loss .....	\$ (6,457.57)	\$ (1,311.21)
Total .....	\$ (6,386.53)	\$ (1,269.97)
<b>Ending Balance as of Dec 31st, 2022</b> .....	<b>\$ 315,291.17</b>	<b>\$ 106,262.15</b>
<b>Location of General Account Funds:</b>		
Spending Account: .....	\$ 53,728.58	
Investment Account: .....	\$ 261,562.59	
<b>Total</b> .....	<b>\$ 315,291.17</b>	

Submitted Feb 10th, 2023 by: Jeff Hayes, AAME Treasurer  
AAME: Honoring Distinguished ME Graduates, Promoting UA Mechanical Engineering

Moving on to the Scholarship Report, Treasurer Hayes said it was pretty straightforward. We had several gifts totaling \$3,500; we transferred \$785 into scholarship spending, and paid \$6500 for student scholarships. Our investment accounts lost \$24,727 and we had an ending balance of \$305,831. There was some discussion regarding when the additional funds allocated to student scholarships in the FY2023 budget would be seen. Melynda said that scholarships are awarded by the M.E. Department in March of each year and apply to the following school year, so there is some lag time after AAME funds are budgeted. President Wolf asked if, in the future, we could create a report that listed our scholarships and who received them. It would be good for transparency and might incentivize more giving by members. Treasurer Hayes said he would work on this with President Wolf. The Scholarship Accounts Report is shown below.

## FY2023 (2022-2023) 2<sup>nd</sup> Quarter Scholarship Accounts Treasurer's Report

ARKANSAS ACADEMY OF MECHANICAL ENGINEERING  
University of Arkansas, ME Bldg., Fayetteville, AR 72701, 479-575-4153

### Scholarship Accounts Report

Dec. 31st, 2022

		Change from <u>Last Report</u>
Beginning Balance as of July 1, 2020: .....	<u>\$ 332,896.20</u>	
<b>Income / Transfers In:</b>		
Member Contributions .....	\$ 3,500.00	\$ 3,500.00
Matching Gift Contributions .....	-	\$ -
Transfers in to:		
Scholarship Investment .....	-	\$ -
Scholarship Spending .....	785.86	\$ 785.86
Total .....	<u>\$ 4,285.86</u> -----> \$ 4,285.86	\$ 4,285.86
<b>Expenses:</b>		
Student Scholarships:		
Fall Semester .....	(6,500.00)	\$ (6,500.00)
Spring Semester .....	-	\$ -
Misc. Expenses .....	-	\$ -
Total .....	<u>\$ (6,500.00)</u> -----> \$ (6,500.00)	\$ (6,500.00)
<b>Investment Income, Expenses, and Gain/Loss:</b>		
<b>Interest Income:</b>		
Investment Act. (TRP) .....	\$ 733.71	\$ 733.71
Spending Act. (N/E) .....	\$ 7.98	\$ 7.98
<b>Overhead:</b>		
Foundation .....	\$ (144.19)	\$ (144.19)
Development .....	\$ (720.95)	\$ (720.95)
Investment Gain/Loss .....	<u>\$ (24,727.39)</u>	\$ (24,727.39)
Total .....	<u>\$ (24,850.84)</u> -----> \$ (24,850.84)	\$ (24,850.84)
Ending Balance as of . Dec. 31st, 2022 .....	<u>\$ 305,831.22</u>	\$ (10,828.14)
<b>Location of Scholarship Account Funds:</b>		
Spending Account: .....	\$ 3,196.80	
Investment Account: .....	<u>\$ 302,634.42</u>	
Total .....	<u>\$ 305,831.22</u>	

Submitted Feb 10th, 2023 by: Jeff Hayes, AAME Treasurer  
AAME: Honoring Distinguished ME Graduates, Promoting UA Mechanical Engineering

For information on the named scholarship program, please visit the AAME website, first click the "Resources" tab, then "Bylaws and Operations" and look for "Tiered Scholarship Donation Recognition Plan" (<https://aame.uark.edu/resources/>).

### COMMITTEE REPORTS

#### ✓ Finance Committee Report

Chairman Robert Porbeck started by saying that a member recently contributed 1000 shares of Exxon stock, valued at approximately \$103,000, which is the probably the largest contribution in AAME's history. We've had 20 people contribute for a total of \$112,492 so far this fiscal year. Our investment income has been negative so far, with about \$57,000 in losses. After scholarship spending of \$6,500, our total assets are \$621,122. Inspecting the Finance Report Graphs, Income and Expenses shows a significant spike in member contributions, while the Total Funds curve is showing good growth. The number of active contributing members is still low. Jeff Hayes commented that the new electronic balloting process might not have been as effective at reminding members to make their annual contribution. There was discussion and consensus to send either a letter or postcard in

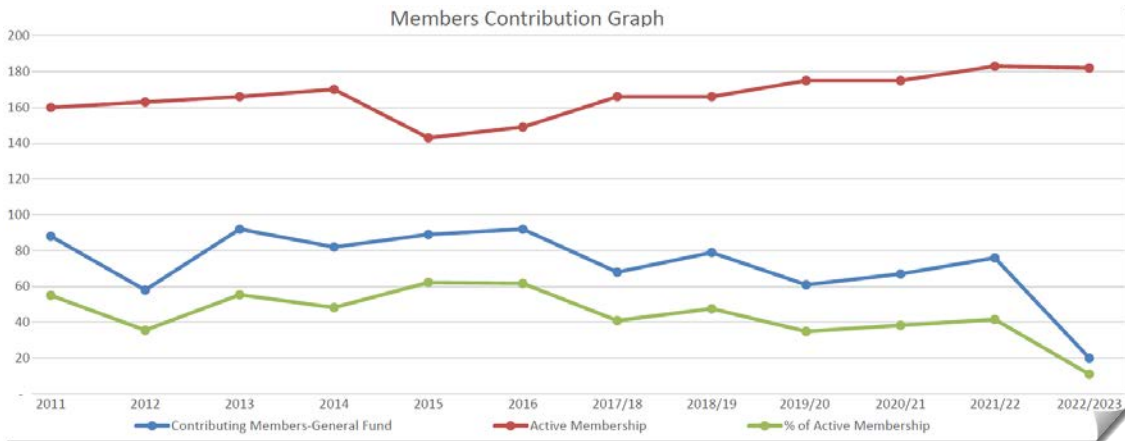
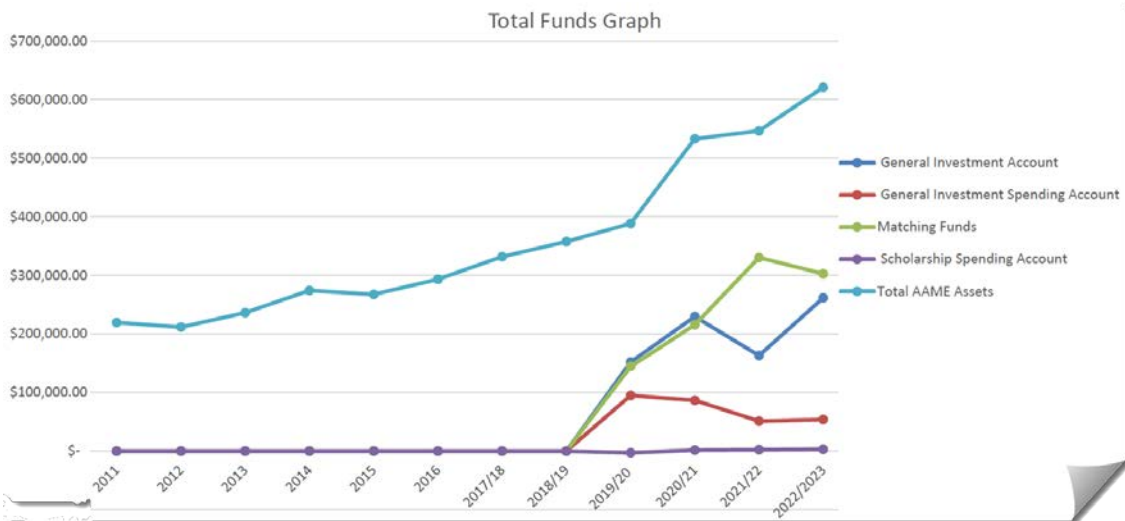
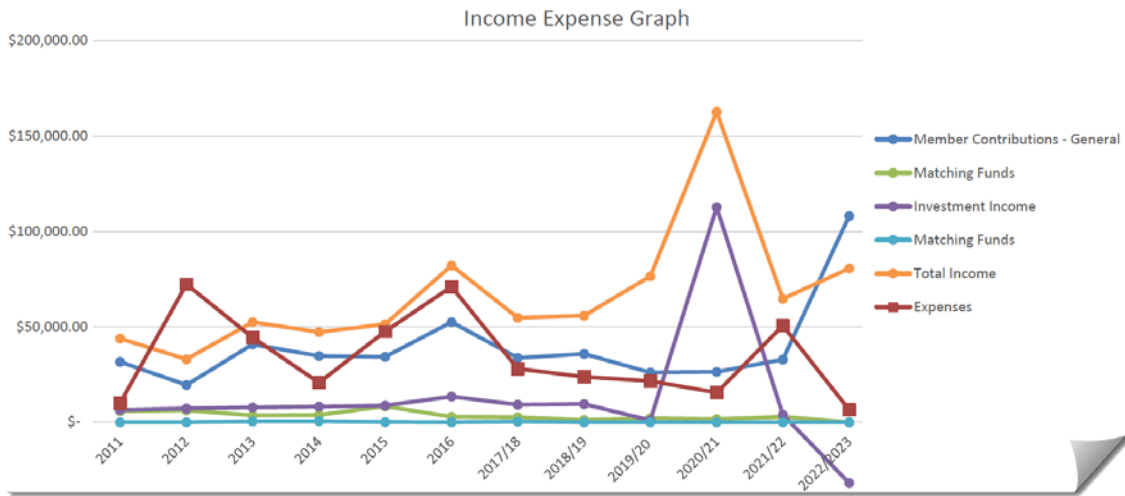
conjunction with the electronic balloting email in the future. The FY2023 2<sup>nd</sup> Quarter Finance Report and the FY2023 budget are excerpted below. FY2021 (2020/2021) finances are shown for comparison.

**FY2023 (2022-2023) 2<sup>nd</sup> Quarter Finance Report Excerpt**

<b>Historical Financial Reports</b>					
12/31/2022		Year End	2021/22 7/15/2022	2022/2023 12/31/2022	2022/2023 Budget 7/15/2022
Active Membership			183	182	
Contributing Members-General Fund			76	20	
Contributing Members-Scholarship Fund					
% of Active Membership			42	11	
Proposed Member Contribution			300	300	300
Members with Matching Programs					
<b>INCOME</b>					
Member Contributions - General			\$ 32,880.00	\$ 108,207.12	\$ 32,000.00
Member Contributions - Scholarships			\$ 25,050.85	\$ 4,285.86	\$ 17,000.00
Matching Funds			\$ 2,796.00	\$ -	\$ 2,500.00
Investment income, expenses, gain/loss	General		\$ 5,777.59	\$ (7,025.03)	\$ 3,000.00
	Scholarship		\$ (1,839.31)	\$ (24,850.84)	\$ 5,000.00
	Total		\$ 3,938.28	\$ (31,875.87)	
Investment Income			\$ -	\$ -	
Misc Income					
Total Income			\$ 64,665.13	\$ 80,617.11	\$ 59,500.00
<b>Expenditures</b>					
Scholarships	Fall		\$ 7,500.00	\$ 6,500.00	\$ 10,000.00
	Spring		\$ 6,000.00		\$ 10,000.00
Operating	Annual Meeting		\$ 27,162.23		\$ 28,000.00
	Miscellaneous, Ops		\$ 6.52		
Special Projects			\$ 10,000.00		\$ 10,000.00
Solar Splash Competition					
Student Competitions					
Newsletter Printing					
	Total Expenditures		\$ 50,668.75	\$ 6,500.00	\$ 58,000.00
Income exceeds expenditures by:					
Transfer to Scholarship Investment Account	Fall / Spring		\$ 13,996.38	\$ 74,117.11	\$ 1,500.00
			\$ 785.86		
Open Account					
General Investment Account			\$ 163,018.69	\$ 261,562.59	
General Investment Spending Account			\$ 51,090.39	\$ 53,728.58	
Scholarship Investment Account			\$ 330,337.58	\$ 302,634.42	
Scholarship Spending Account			\$ 2,558.62	\$ 3,196.80	
Endowment Fund (Restricted)					
Total AAME Assets			\$ 547,005.28	\$ 621,122.39	

Updated finance charts that include data though the 2<sup>nd</sup> Quarter of FY2023 are shown below.

## FY2023 (2022-2023) 2<sup>nd</sup> Quarter Finance Report Graphs



Reminder: Contributions can be made by check and mailed to Melynda or by electronic payment. Mailing instructions and online payment links are on the AAME website at <https://aame.uark.edu/resources/>, click the "Giving" link. Make checks out to "University of Arkansas Foundation" and specify "AAME General Fund" or "AAME Scholarship Fund" in the comment. For online payments, select "Arkansas Academy of Mechanical Engineering" as the designation and include a comment for "AAME General" or "AAME Scholarships" to specify which fund.

✓ **Awards Committee**

Chairman Mike Anderson stated that we're all set for the department awards to be given at the banquet in April.

✓ **Conduct, By-Laws & Constitution Committee Report**

Chairman Zane Boatright stated that there were two alternative proposed changes to the by-laws membership section. Both are for changing the current maximum membership limit. Currently, section I.A.3 specifies:

*I.A.3. The number of Active Members shall not exceed two hundred (200), and not more than ten (10) Active Members may be elected each year.*

Proposal 1 is to update the membership maximum to 250, as shown:

*I.A.3. The number of Active Members shall not exceed two hundred fifty (250), and not more than ten (10) Active Members may be elected each year.*

Proposal 2 is to eliminate the membership maximum, but to retain the yearly induction maximum:

*I.A.3. There is no limit to the number of Active Members, however not more than ten (10) new Active Members may be elected each year.*

Quite a bit of discussion followed. It was mentioned that some people feel a total membership limit makes being a member more prestigious, others felt that the annual induction limit should maintain the prestige of membership. The Industrial Engineering Academy doesn't have a membership cap. Since Mechanical Engineering is graduating larger classes, it seems that AAME should also grow given that there should be more qualified graduates. We've revised the limit several times in the last 15 years. There are currently 182 active members, removing the total cap will eliminate the need to change the by-laws again a few years from now. President Wolf recommended that the Board send Proposal 2 to the membership for a vote. Jack Murders agreed and motioned to approve, Katrenia seconded, and the board approved to have membership vote on Proposal 2, eliminating the total membership maximum and retaining the 10 member annual induction limit. This will be voted on at the annual business meeting in April.

The AAME By-laws are available on the AAME website at <https://aame.uark.edu/resources/>.

✓ **Fundraising Committee**

President Wolf said Bob Harrison has decided to step down from fundraising for the time being. She added that she was excited regarding the current state of our finances and the named scholarship program. Tom Weiss provided some information regarding tax deductible charity contributions. A portion of 401k distributions can be designated to be distributed to a charity and it is untaxed. This might be an advantageous way for retirees to give to AAME or any charity. More discussion followed suggesting members consider adding AAME to their will. President Wolf said she will plan to add these suggestions to a future mailing.

### ✓ **Membership Committee Report**

Chairwoman Katrenia Taweel reported that all nominations were approved, so we will have nine new members and one new associate member. We currently have one member nomination for 2024, and in the next few weeks Katrenia will send an email officially starting the 2024 membership drive.

*Reminder: Membership nomination forms are available on the AAME website at <https://aame.uark.edu/membership/>, scroll to the bottom of the page and click the "Nomination Form" link.*

### ✓ **Student Liaison Committee**

Chairman Darren Talley said the two main student programs we are currently supporting is mentoring and resume reviews. In fall 2022, 27 students were mentored by 17 mentors, while 22 students were help with their resumes by 10 volunteers. We are getting prepared for resume reviews this spring. President Wolf encouraged membership to get involved with these programs, it doesn't require being in Fayetteville as it can be done remotely.

### **MECHANICAL ENGINEERING DEPARTMENT UPDATE**

Dr. Nutter provided the status for the M.E. Department and began by thanking all AAME members for their service. The University officially announced the new chancellor, and several other interim positions have been filled. We expect total enrollment to increase to 32,000 to 33,000 next year. The Electrical Engineering and Computer Science/Computer Engineering departments will be merging, and this is a common trend in universities. This semester, we had a full week of inclement weather it was helpful to have the capability for virtual instruction. We had a good F.E. Exam review session, with about 30 students attended. We're hoping for this student interest to continue, and it is partially due to the AAME F.E. scholarship program. The front of the M.E. Building is going to be modernized, and there will be a new digital display area to recognize AAME members as well as student scholarship recipients and contributors. The M.E. Department has interviewed several qualified candidates for new positions for this fall. We're hiring in transportation, design and manufacturing, and robotics and controls. The STEM Fair is coming up on Wednesday, March 1<sup>st</sup>. We're graduated about 150 undergrads per year. AAME's Darren Talley is teaching a nuclear engineering course as an adjunct professor and he has 10 or 11 students. Lamar Pettus will be receiving the Distinguished Alumni Award in April.

### **OLD BUSINESS**

1. 2023 Banquet and Induction Planning – Melynda said the Banquet will be on Friday, April 14<sup>th</sup>, at the Fayetteville Public Library Reception Room. The reception starts at 6:30 pm, and the dinner and program begin at 7:30 pm. New members should arrive at 5:00 pm for photos. Melynda asked if we wanted to have an orientation for the new members after photos and President Wolf suggested that she and Katrenia could work the orientation.
2. Update on Tiered Scholarship Donation Recognition Program – This was discussed during the Finance Report, and there was nothing to add.
3. Proposal for Increasing Cap on Membership – This was discussed during the by-laws report.

## **NEW BUSINESS**

Greg Sisti suggested that Dr. Nutter ask if a student from the senior class could give a short talk regarding the help to students that the AAME scholarship program provides.

President Wolf mentioned that we will need two to three members to become directors to replace directors that will be dropping off in April. It requires minimal work to accomplish a great mission, and it can provide more substance to add to your resume. President Wolf asked for anyone interested to send her an email.

## **CONCLUSION**

President Wolf adjourned the meeting. The next AAME meetings will be the Annual Banquet and Business Meeting on April 14<sup>th</sup> and 15<sup>th</sup>.

*Minutes prepared and respectfully submitted by Pete Opper, 2021-2022 AAME Secretary, with special thanks to Melynda Hart. Previous minutes are available on the AAME website at <https://aame.uark.edu/resources/>.*