



Report of the 2006-2007 President

James R. Jorden

The Year in Review

In 2006, the AIME Board held strategic planning sessions for the first time in several years to crystallize AIME's future mission and goals. And, the good news is that the group came together to project a bright future for AIME. In addition to becoming more visible to members, especially younger ones, through new marketing efforts and the presence of AIME representatives at Member Society events in 2007, several new initiatives are planned.

Two groups have been formed to carry out the Institute's new mission: 1) Supporting the advancement of the Member Societies, and 2) Representing AIME and its Member Societies in the larger engineering and scientific community. Initial ideas around the first effort are

- hosting a multi-disciplinary workshop, symposium, and/or conference
- establishing new multi-disciplinary awards and/or scholarships
- publishing multi-disciplinary papers in joint publications
- distributing publications among the Member Societies
- offering Member Society grants.

On the second initiative, AIME would like to be more involved in

- obtaining UEF grants and disseminating UEF information
- having appointed liaisons to various Washington agencies and other engineering and scientific organizations (e.g., Trade Associations, FMS, NAE, NSF, NMAB)
- developing an advocacy platform
- promoting joint-engineering Society activities (e.g. R&D Symposium, Engineers' Week).

Streamlined and enhanced AIME awards and scholarships documentation and processes have been rolled out to continue the great tradition of recognizing the top contributors in the industries and supporting promising young students. In fact, our Smith Scholarship Committee voted to increase the amount of that graduate scholarship to two \$10,000 awards last year. And, the Board recently voted to increase the Raymond young author cash award to \$2,500.

Additionally, staff continues to archive important corporate records and historical data and improve content and navigation on the website, www.aimehq.org. One specific project that AIME is looking forward to is the digitization of AIME Transactions from 1871-1970, making them available to members all over the world via a link from Member Society websites by the end of 2007.

As AIME moves through 2007, the Board and Member Society Executive Directors are excited to help the organization enter a rejuvenation of sorts. We look forward to interacting with the membership more often to intimately understand its needs and how AIME can best support and represent its Member Societies.

Some Reflections on AIME

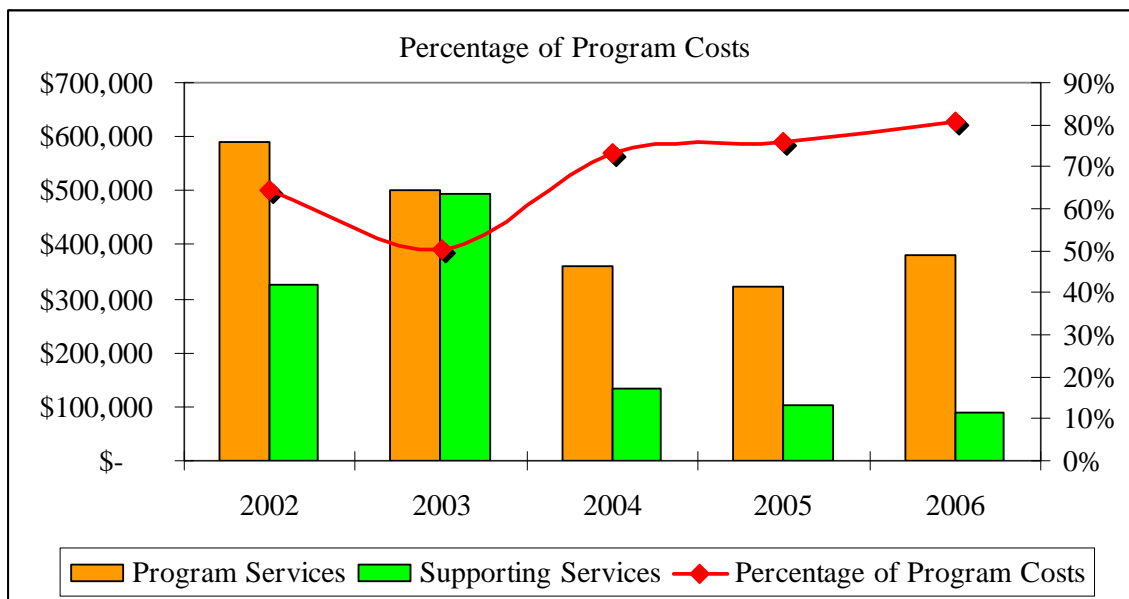
The preceding page highlights the achievements and aspirations of AIME over the past 12 months. Additionally, I choose to briefly review the significant activities in AIME for the period 2002 through August 2006 – a 4½-year interval. Each administration builds on the work of its predecessors and passes on to its successors some achievements and many aspirations. It is *a continuum of progress*.

In March 2002, the AIME Board set in motion the following initiatives, recommended by a then-existing Strategic Directions Committee:

- Adopt the recommended Mission Statement.
- Develop a plan to balance AIME revenue and expense by FY 2005.
- Examine the legal ramifications and economic feasibility of relocating the AIME headquarters from New York City to another location.
- Restructure the Board of Trustees to eight members.

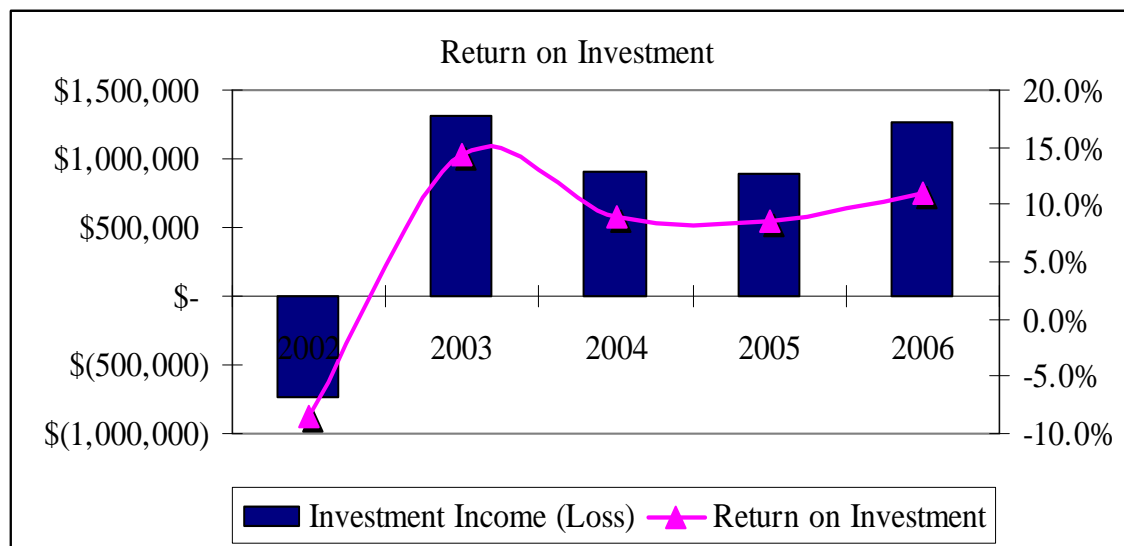
Subsequently, under the leadership of AIME Presidents George Sawyer, Rob Wagoner, Bob Freas, and Alan Cramb, these initiatives, as well as many others to improve the cost-effectiveness of the Institute, were accomplished. Perhaps the best measure of the success of this effort is contained in the following charts:

First, AIME has effectively restructured to reduce its overhead and and refocused its efforts to allow more spending on programs.



	2002	2003	2004	2005	2006
Program Services	\$ 590,273	\$ 501,205	\$ 360,088	\$ 322,811	\$ 381,564
Supporting Services	325,470	493,476	132,746	103,545	90,847
Total Expenses	<u>\$ 915,743</u>	<u>\$ 994,681</u>	<u>\$ 492,834</u>	<u>\$ 426,356</u>	<u>\$ 472,411</u>
Percentage of Program Costs	<u>64%</u>	<u>50%</u>	<u>73%</u>	<u>76%</u>	<u>81%</u>

Additionally, the portfolio reached the goal of an eight percent return in 2006 and has rebounded significantly from the market decline experienced in 2002.



	2002	2003	2004	2005	2006
Cash and Investments	\$8,571,113	\$9,154,636	\$10,160,384	\$10,475,633	\$11,610,384
Investment Income (Loss)	\$ (735,255)	\$1,313,167	\$ 903,703	\$ 893,850	\$ 1,266,915
Return on Investment	-8.6%	14.3%	8.9%	8.5%	10.9%

Over these 4½ years, these gentlemen, ably assisted by the several Boards of Trustees; AIME staff in both New York City, NY and Littleton, CO; and the Member Society Executive Directors, created an organization that will be financially sustainable far into the future. Consequently, in August 2006, the Institute undertook to begin a strategic planning process. The results to date are highlighted on the previous page. Because of this strategic vision, AIME now also has political sustainability as well. But this is an ongoing story, and AIME will continue to focus its strategic vision for years to come.

Some Personal Comments

In one more year it will have been my privilege to have served AIME as a Trustee during three cycles: the mid-1980s, 2000-2002, and 2004-2008. I am pleased to have been part of the team that has, in this first decade of the 21st century, rejuvenated and refocused the Institute.

Of necessity, the closest working colleagues of any AIME President are the AIME staff, and I wish to thank Rick Rolater and Michele Gottwald for their courtesy and patience during the past year. The 2006-2007 Board has been supportive and encouraging, and for that I am grateful. The institutional memory of the Member Society Executive Directors has been invaluable to help me avoid missteps of the past.

And so, with the concept of *a continuum of progress* firmly in mind, I offer the 2007-2008 AIME President, Dr. Dan Thoma, my continued support as he moves the Institute towards its larger vision.