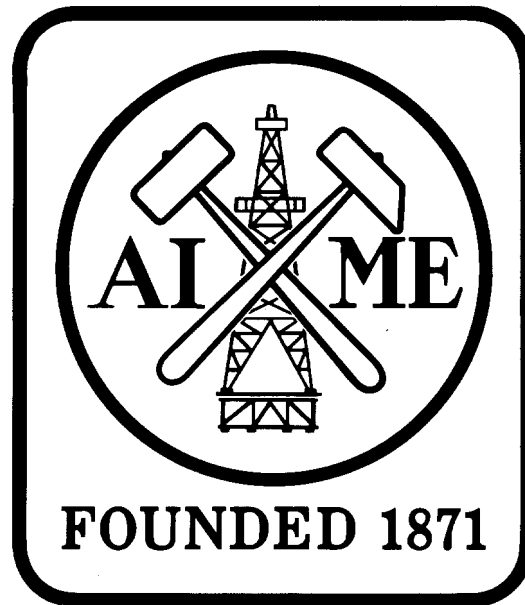


American Institute of Mining, Metallurgical, and Petroleum Engineers, Inc.

# 2008 ANNUAL REPORT

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**TMS**





## Report of the 2008-2009 President

Michael Karmis

### **The Year in Review**

In 2008, the AIME Board continued implementation of the Society's strategic plan and initiatives, placing particular focus on visibility and involvement with the larger engineering and scientific community. Specifically, AIME:

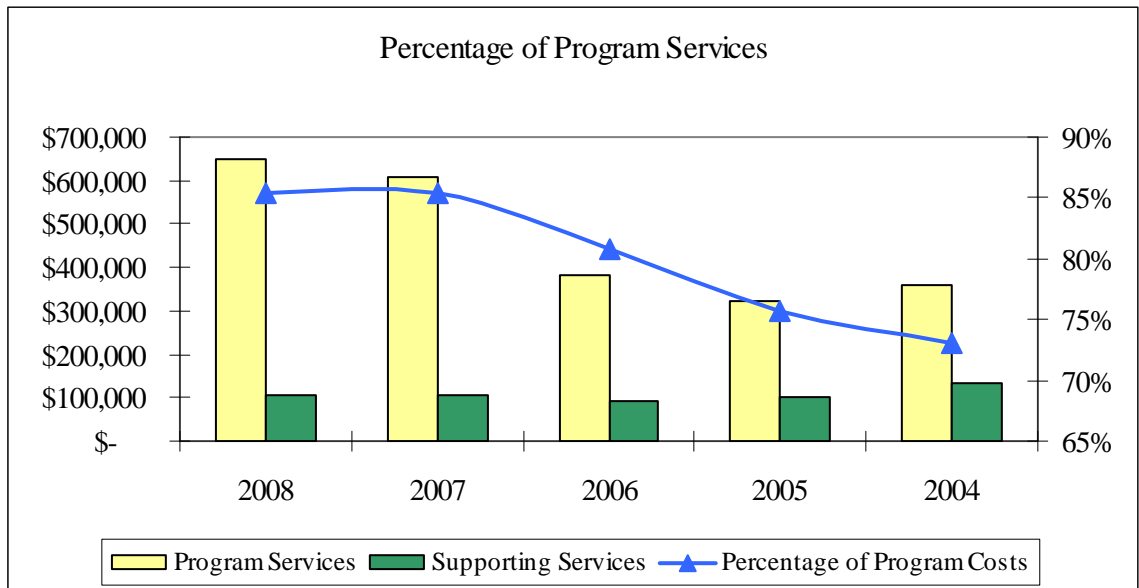
- Made an additional 170 historical works available free to members of the AIME Societies and for purchase externally via OneMine.org, OnePetro.org, and TMS' publications electronic storefront.
- Hosted the Emerging Leaders Alliance training and on-line resource to support young leaders within TMS, SME, AIST, and SPE, as well as ASCE, ASME, and AIChE.
- Led development, in partnership from ASCE and AIChE, of a multi-disciplinary workshop entitled Engineering Solutions for Sustainability: Materials and Resources, designed at bringing technical expertise together with governmental and NGO partners to determine how best to address 21<sup>st</sup> century societal challenges in the areas of energy, recycling, transportation, housing, food and water, and health. The workshop will be held July 22-24, 2009 in Lausanne, Switzerland.
- Established a group of experts to work with the lead Founder Society, AIChE on Carbon Management initiatives.
- Obtained \$325,000 in UEF grants to support the above-mentioned efforts.
- Participated in Engineers' Week, the AAES K-12 Forum, Engineers' Forum for Sustainability, and International Activities Committee meetings.

Going forward into 2009, the AIME Board is excited to also be hosting at its annual meeting representatives from our sister Founder Societies, government, and industry to discuss current national initiatives, and address issues and opportunities in forming partnerships to advance the professions.

We are also diligently working to complete the electronic processing of AIME awards and scholarships nomination/application and committee processes to better advertize and facilitate the great tradition of recognizing the top contributors in the profession and supporting promising young students. Additionally, staff continues to

archive important corporate records and historical data and improve content and navigation on the website, [www.aimehq.org](http://www.aimehq.org).

With a continued emphasis on offering these services while controlling budget and costs, the AIME Board and Staff have been able to substantially increase program spending, without increasing overhead cost, as exhibited in the following graphic and chart:



	2008	2007	2006	2005	2004
Program Services	\$ 651,502	\$ 609,465	\$ 381,564	\$ 322,811	\$ 360,088
Supporting Services	103,825	104,889	90,847	103,545	132,746
Total Expenses	<u>\$ 755,327</u>	<u>\$ 714,354</u>	<u>\$ 472,411</u>	<u>\$ 426,356</u>	<u>\$ 492,834</u>
Percentage of Program Costs	85%	85%	81%	76%	73%

#### Some Personal Comments

It has been a pleasure and a privilege to serve as the AIME President this year. A personal note of thanks is due to the AIME Trustees and Staff for their support and hard work. The Institute is moving ahead and has much to look forward in the coming years.

# AIME 2009-2010 Officers and Trustees

## PRESIDENT AND TRUSTEE



**Ian Sadler**  
(AIST – Term ends 2011)

Ian Sadler studied natural sciences at Cambridge University England and graduated with a first-class honors degree followed by a master's from Cambridge. He joined the iron and steel industry in 1972 and quickly became one of the youngest foundry managers in the world. He has held positions of increasing technical and managerial responsibility for nearly three decades. He is currently president of Miller Centrifugal Casting Co., Cecil, Pa., and is a past president of the Iron & Steel Society. Miller Centrifugal

Casting manufactures a wide range of rolling mill sleeves for the hot rolling of long products and seamless pipe.

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## PRESIDENT-ELECT AND TRUSTEE



**DeAnn Craig**  
(SPE – Term ends 2012)

Ms. Craig started her professional career in 1989 as a petroleum engineer at Mobil Oil Corp. and Phillips Petroleum Corporation. From 1989-1992 she was West Area Operations Manager at Phillips Petroleum, then from 1992-1994 she became Manager, Worldwide Drilling and Production, and President, Phillips Petroleum Resources Ltd (1994-1996). From 1996-1999 Ms. Craig was Federal Relations Representative, Phillips Petroleum Company, in Washington,

DC. Ms. Craig received BS degrees in mineral engineering chemistry and chemical and petroleum refining engineering from Colorado School of Mines in 1973 and 1980, respectively, a Masters of business administration from Regis University, and MSc degrees in international political economy and mineral economics and business, also from the Colorado School of Mines. Ms. Craig is a member of SPE, the American Economic Association, and the Colorado School of Mines Alumni Association. She was the 1998 President of SPE. In 1987, Ms. Craig received the SPE Young Member Service Award; president of the Colorado School of Mines Alumni Association in 1988, Visiting Committee, Colorado School of Mines Chemistry Department (1997, 1999); and Distinguished Achievement Medal (1999).

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## **PRESIDENT-ELECT DESIGNATE AND TRUSTEE**



**Brajendra Mishra**  
(TMS – Term ends 2011)

Dr. Brajendra Mishra received his Bachelor of Technology [1981] degree in Metallurgical Engineering from the Indian Institute of Technology in Kharagpur, India and his M.S. [1983] and Ph.D. [1986] in Materials Science from the University of Minnesota in Minneapolis. He is a professor and associate director of Kroll Institute for Extractive Metallurgy and Advanced Coatings & Surface Engineering Laboratory at the Colorado School of Mines. Prior to joining CSM in 1990, Prof. Mishra served at Tata Steel in India. He has also served as a Faculty Consultant for Motorola Corp. Prof. Mishra is the

President of faculty Senate [2006-08] at CSM.

Dr. Mishra's current research interests and contributions are spread over two major needs of the day - Environmental management by developing chemically benign processes and - Materials development with enhanced properties. His research interests bridge across the process and the physical metallurgy of materials. He teaches both aqueous and high-temperature corrosion of materials, chemical processing of materials, physical chemistry of iron and steelmaking and engineering thermodynamics. Dr. Mishra has authored over 250 technical publications in refereed journals and conference proceedings. He holds six patents and has authored/edited 16 books. Dr. Mishra is also a member of the ASM International, NACE and Electrochemical Society. He is a Fellow of ASM.

Brajendra served as the 2006 President of The Mineral, Metals & Materials Society (TMS) of AIME. Headquartered in the United States but with a large international membership, TMS is a professional organization that encompasses the entire range of metallurgical & materials engineering, from minerals processing and primary metals production to basic research and the advanced applications of materials. Brajendra has held several leadership positions within TMS for the past fifteen years in publication, programming, outreach and financial divisions of the society. Mishra has been on the Board of Directors for TMS for the past seven years and is currently involved with international programming activities and Foundation growth.

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## **PAST PRESIDENT AND TRUSTEE**



**Michael Karmis**  
(SME – Term ends 2010)

Dr. Michael Karmis is the Stonie Barker Professor of the Department of Mining and Minerals Engineering and the Director of the Virginia Center for Coal and Energy Research at Virginia Tech. His broad research interests are in mine planning and design, ground control and the sustainable development of energy and natural resources. He has authored more than 150 scientific papers, reports, Proceedings volumes and textbooks and has directed numerous research projects funded by government agencies and the private sector. A Professional Engineer in the U.S.A.

and a Licensed Engineer (Eur Ing) in Europe, Dr. Karmis has been active in consulting with the minerals industry, consulting companies, government organizations and legal firms. He served as the 2002 President of the Society for

Mining, Metallurgy and Exploration (SME) and the 2002/03 President of the Society of Mining Professors. He is a Distinguished Member of the SME, a Fellow of the Institute of Quarrying and a Fellow of the Institute of Mining and Metallurgy. He has received numerous recognitions and awards by major scientific, professional and industrial organizations.

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## Other Trustees



**Arlie Skov**  
(SPE – Term ends 2010)

Arlie M. Skov retired to Santa Barbara CA after a 42-year career with Sohio Petroleum, BP Exploration, and Arlie M. Skov, Inc. He earned a BS degree in Petroleum Engineering at the University of Oklahoma (with special distinction) in 1956, and attended the Basic Advanced Management program at the University of Virginia in 1966.

His career included several engineering and management postings at Sohio and BP, including Manager, Special Projects, Assistant Chief Engineer, Manager Production Planning (for the development of the giant Prudhoe Bay oil and gas field on the North Slope of Alaska), Manager New Technology Development, Director Production Technology, and Senior Consultant. His areas of expertise include reservoir engineering, improved oil recovery, reserves estimation, field development, arctic technology, planning, and economics. Mr. Skov has been an active member of SPE and AIME for over five decades, joining while in college. He was elected to several offices, including Section Chairman, in the Oklahoma City Section. He also served on the society-wide Board of Directors of SPE from 1971 to 1974, and as member and chairman of many committees, both ad hoc and standing. He served as President of SPE in 1991, and as President of the SPE Foundation 2004-05. He has also served on several AIME Committees, most recently as Chair of the AIME Hoover Gold Medal Award Committee in 2005. He served on the AIME Board in the Seventies and again in 1995-96. Mr. Skov was named an SPE Distinguished Member in 1985, received the SPE Distinguished Service Award in 1988, and was named an Honorary Member of SPE and AIME in 1998. In 2005, he attained membership in SPE's Legion of Honor. He also served on the National Petroleum Council from 1996 to 2002 at the invitation of three US Secretaries of Energy.



**Wayne Jones**  
(TMS – Term ends 2011)

J. Wayne Jones has been a member of the faculty of the Department of Materials Science and Engineering since 1978 and is an Arthur F. Thurnau Professor of Materials Science and Engineering. He is also associate director of ADVANCE at the University of Michigan and director of the ADVANCE Program in the College of Engineering. ADVANCE is an NSF and University sponsored program focused on increasing the numbers of tenure-track women and under-represented minorities in the STEM disciplines.

He served as Associate Dean for Undergraduate Education in the College of Engineering from 1996 to 2001 and he served as interim chair of MSE in 1992. He served as president of TMS (a 12,000 member materials society) in 1999 and has served on the boards of directors of TMS and the American Institute of Mining, Metallurgical and Petroleum Engineers. He was elected a fellow of ASM International (a 50,000 member materials society) in 2000. In 2007 he received the Harold H. Johnson Diversity Award from the University of Michigan. In 2008 he received the Alexander Scott Distinguished Service Award from TMS and he will receive the A. E. White Distinguished Educator Award from ASM International in 2010.

His research interests have focused on developing an understanding of structure-property relationships in advanced structural materials for automotive and aerospace applications. His work has centered on the fatigue and creep behavior of aluminum alloys, particulate strengthened aluminum matrix composites, titanium and titanium aluminides and more recently on new magnesium alloys. His research group is currently focusing on development of new instrumentation and techniques for studying the fatigue behavior of structural materials in the gigacycle regime using ultrasonic fatigue. His research is currently funded by the National Science Foundation, Air Force Office of Scientific Research, U.S. Department of Energy Ford Motor Company General Motors. He consults in the area of structural materials failure analysis.

He holds a M.S.E. (1973) and Ph.D. (1976) in Materials Science from Vanderbilt University.



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**Barbara A. Filas**  
(SME - Term ends 2012)

Ms. Filas has over 25 years of experience in surface and underground mining operations, engineering, and regulatory support. Her efforts have included mine development plans, waste containment facility design, reclamation plans and surety estimates, project permitting, comprehensive environmental site and compliance audits, multi-disciplinary environmental evaluations, and storm water and sedimentation control designs. She has developed numerous designs and permitting documents which have successfully passed the scrutiny of the domestic and international regulatory community.

Ms. Filas has in-depth experience in mine-related environmental, closure and reclamation evaluations for projects around the world. She also has substantial expertise in working with the environmental and social performance standards and guidelines of the World Bank Group. Ms. Filas is President of Knight Piésold and Co. Prior to joining the firm, she held responsible engineering and environmental positions with Atlas Minerals, Summit Minerals, U.S. Steel Corporation, and Monterey Coal Company. She is a licensed professional engineer in several states and a certified environmental manager.

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**Randy Skagen**  
(AIST - Term ends 2013)

Randy C. Skagen is currently the Vice President and General Manager of Nucor Steel Tuscaloosa Inc. Skagen earned a degree in Mechanical Engineering Technology from the Sault College of Applied Arts and Technology in Sault Ste. Marie, Ont., Canada, in 1980. Skagen began his career in the steel industry with the Algoma Steel Corp. in 1980, where he held several positions in maintenance and operations. In 1991, he joined Nucor as a Production Supervisor during the construction of its second CSP plant in Hickman, Ark. He was promoted to Hot Mill Manager to construct Nucor's newest CSP plant in South Carolina in 1995. He then assisted in the design and construction of Nucor's new plate mill in North Carolina in a similar capacity beginning in 1998. In 2004, he was selected as the General Manager of Nucor Steel Tuscaloosa Inc. and was elected Vice President in September 2005. Skagen is currently the President Elect of the Board of Trustees for the AIST Foundation. He is currently Chairman of the West Alabama Chamber of Commerce and serves on several boards in the Tuscaloosa Area including the United Way Foundation, Easter Seals, Black Warrior Council of the Boy Scouts of America and the Tuscaloosa County Industrial Development Authority. He also serves on the Leadership Advisory board for the Dean of the College of Engineering and is President of the Advisory Board for the Metallurgical Engineering Department at the University of Alabama.

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**J. Rick Rolater**  
AIME Executive Director

J. Rick Rolater, AIME Executive Director, began this assignment on April 1, 2003. Since 1996, he has been self-employed as a dealer in collectible mineral and fossil specimens as owner of By Nature Gallery. His prior experience includes founding and serving as CEO of several companies including Discovery Channel Stores, Provident Bancorp of Texas, Paragon Communication Systems, and Rolater, Ducote & Company CPAs. Following graduation from the University of North Texas with a BBA in Accounting, he worked as a CPA with Arthur Young & Co. and as a financial advisor.



## **AIME Past Presidents (Active List)**

2008 – Michael Karmis	1983 - Edward E. Runyan
2007 – Dan J. Thoma	1982 - Harold W. Paxton
2006 – James R. Jorden	1981 - Robert H. Merrill
2005 – Alan W. Cramb	1978 - Wayne L. Dowdey
2004 – Robert C. Freas	1977 - H. Arthur Nedom
2003 – Robert H. Wagoner	1976 - Julius J. Harwood
2000 - Robert E. Murray	1967 - Walter R. Hibbard, Jr.
1999 - Paul G. Campbell, Jr.	
1998 - Roy H. Koerner	
1997 - Leonard G. Nelson	
1996 - Donald W. Gentry	
1995 - Frank V. Nolfi, Jr.	
1994 - Noel D. Rietman	
1993 - G. Hugh Walker	
1992 - Roshan B. Bhappu	
1991 - Milton E. Wadsworth	
1990 - Donald G. Russell	
1989 - Howard N. Hubbard, Jr.	
1988 - Thomas V. Falkie	
1987 - Alan Lawley	
1986 - Arlen L. Edgar	
1985 - Norman T. Mills	
1984 - Nelson Severinghaus, Jr.	

## **Report of the 137th Annual Meeting Jackson Hole, WY – August 2007**

AIME celebrated its 137th Annual Meeting in Jackson Hole, WY, August 2nd, 2008. The meeting venue was Spring Creek Ranch. Following the meeting, Dr. Michael Karmis, SME, was installed as 2008 AIME President.

AIME awards are presented at the Member Society Awards Banquet of the recipient. 2007 President, Dan J. Thoma, TMS, attended the SME (Salt Lake City, UT), TMS (New Orleans, LA), and AIST (Pittsburgh, PA) banquets to confer the AIME awards, while 2008 President, Michael Karmis, SME, attended the SPE (Denver, CO) banquet to confer the AIME awards. The winners of the honors and awards and AIME honorary members are listed on the following pages. An AIME keynote session will be held at the SME 2009 annual meeting in Denver, CO (the Society of the AIME President at the time).

The 138<sup>th</sup> AIME Annual Meeting will be held in Alexandria, VA on August 8th, 2009.

## Recipients of Honors and Awards Presented by AIME in 2008

Award Title	Recipient	Member Society	Citation/Paper Title
Honorary Membership	Robert C. Freas	SME	For his extensive and continuing service to and leadership of AIME through difficult and changing times resulting in a more stable, secure, functional, and useful organization.
Honorary Membership	Robert H. Wagoner	TMS	For research accomplishment in the mechanical behavior of materials, as an educator of generations of students in these areas, and for reforming AIME toward a sustainable future.
Honorary Membership	David K. Matlock	AIST	In recognition of his distinguished service to the steel industry and to AIME through his activities with TMS, ISS and AIST, and for his exceptional contributions to the fundamental knowledge of mechanical behavior, processing and performance of steel products, and his deep commitment to the development of the next generation of metallurgical professionals.
Honorary Membership	Gary A. Pope	SPE	For his distinguished accomplishments in research, involving petroleum reservoir performance and remediation of aquifers, supervision of some 31 research associates and service on many SPE and industry committees and councils.
Honorary Membership	Kenneth E. Arnold	SPE	For his innovative contributions to design of and problem-solving in regard to offshore facilities and his substantial involvement in SPE on both a section and international Board basis.
Honorary Membership	Elmond L. Claridge	SPE	For his distinguished accomplishments, over several decades, in research and education with an emphasis on enhanced oil recovery and for his unique qualities of mentoring associates and students.

Honorary Membership	Dato' Mohamad Idris Mansor	SPE	For being a champion of SPE in Malaysia and Southeast Asia on both a local and international basis, a supporter of creating the SPE office in Kuala Lumpur, and an active General Chair of and speaker at SPE conferences.
James Douglas Gold Medal	Corale L. Brierley	SME	For her pioneering research and contributions to applications in bioleaching and metals remediation.
Charles F. Rand Memorial Gold Medal	C. Kevin McArthur	SME	For leading Glamis Gold through a period of unprecedented growth, culminating in its merger with Goldcorp, Inc. to form a major precious metals mining company.
Robert Earll McConnell Award	J. Steven Whisler	SME	For his consummate leadership of the United States copper industry, dedication to safety, inspiring environmental stewardship, commitment to innovation, development of major mining projects, and significant social contributions to the community.
AIME Distinguished Service Award	Alexander R. Scott	TMS	In recognition of thirty-seven years of dedicated service and measured counsel to AIME Presidents and Boards through his role as Executive Director of TMS.
Environmental Conservation Distinguished Service Award	Gary A. Pope	SPE	In recognition of outstanding service, foresight and innovation in groundwater modeling and remediation, oil recovery and greenhouse gas storage, including research leadership and education knowledge.
Frank F. Aplan Award	Rick Q. Honaker	SME	In recognition of his engineering and scientific contributions to enhance the understanding of the technology of coal and mineral processing.
Mineral Economics Award	Jean-Michel Rendu	SME	For his exemplary contributions to the development of international standards for the evaluation and reporting of mineral resources and reserves.

Mineral Industry Education Award	Michael Karmis	SME	For his national and international recognition as a teacher, researcher and academic leader and for his commitment in mentoring and advising of students.
Rossiter W. Raymond Memorial Award	Andrew J. Elliott and Tresa M. Pollock	TMS	"Thermal Analysis of the Bridgman and Liquid-Metal-Cooled Directional Solidification Investment Casting Processes" published in the April 2007 issue of TMS' Metallurgical and Materials Transactions A
Hoover Medal Nominee(s)	Shirley Ann Jackson, Kenneth E. Arnold, President Kalam of India	n/a, SPE, n/a	
Henry DeWitt Smith Scholarship	Waiting on legal interpretation of trust document to allow for inclusion of materials students - - NO 2007-2008 recipients; \$ will be carried forward to next school year		
The John S. Marshall Memorial Scholarship	John Robert Reid Bowling and Jay Conley Gillon	SME	One \$4,000 scholarship each
William Lawrence Saunders Gold Medal	Stanley Dempsey	SME	For changing the paradigms of what a successful mining company must be, and for your giving of yourself to improve the industry we love and the communities we touch
Erskine Ramsay Medal	Garold R. Spindler	SME	For his career-long dedication to the coal mining industry worldwide, his contributions to the success of many global mining companies and operations, and for his role in new mine developments and programs in the United States, Australia, and Canada
Robert H. Richards Award	Timothy R. Snider	SME	For his operational and leadership role in the large-scale implementation of solvent extraction and electrowinning technology for the recovery of copper from run-of-mine stockpile leaching operations

Hal Williams Hardinge Award	Richard B. Berg	SME	For exceptional breadth of expertise in clay, talc/chlorite, barite, and gemstones plus teaching, mineral museum curation, extensive geologic mapping, editing of numerous guidebooks and compilations, and service to local and national organizations
Percy Nicholls Award	Peter J. Bethell	SME	For Notable Scientific or Industrial Achievement in the Field of Solid Fuels
Robert Peele Award	Edger Urbaez	SME	For his paper on <u>Optimizing Reserves in Complex Multiple Blend Products</u>
Howard N Eavenson Award	Thomas J. Lien	SME	For his outstanding contribution to the development of large surface mines using the truck/shovel method and optimizing productivity advancements through the use of process management techniques with an emphasis on the participatory management style which is highly dependent on employee involvement.”
Coal & Energy Scholarships (partially funded by Eavenson)	Dominic T. Orr, Jesse L. Richardson, Nathan T. Rouse, Matthew T. Mowry, Clarita Begishe, Timothy A. Moore, Jonathan W. Warner, Sarah A. Smith, Adam G. Patterson	SME	U of AK Fairbanks, U of KY, U of MO Rolla, Penn State, SD School of Mines & Tech., Southern IL, U of UT, VA Tech., WVU
Daniel C Jackling Award	Mark N. Savit	SME	For his outstanding leadership and contribution in elevating the liability awareness and responsibility of thousands of supervisors, engineers, and professionals in the mining industry; and for his lecture, ‘Dysfunction Junction: When Inalterable Regulations Meet Evolving Technology
Champ Mathewson Award	Dr. Adam Badri	TMS	
Robert Lansing Hardy Award	Ken Gall	TMS	

Benjamin F. Fairless Award	Andrew Green, David Naylor, Ruth Hambleton, Ian Christmas	AIST	Founders of steeluniversity.org
J.E. Johnson Award	J. D'Alessio	AIST	
Hunt-Kelly Outstanding Paper Award	Kenneth E. Blazek, Oscar Lanzi III, Phil L. Gano, Dale L. Kellogg	AIST	"Calculation of the Peritectic Range for Steel Alloys"
Benjamin F. Fairless Scholarship 2007- 2008	Daniel P. Fiore, Joshua S. Crain, Charles H. Covell	AIST	\$2,000 each
Anthony F. Lucas Gold Medal	Tony Settari	SPE	
DeGolyer Gold Medal	James P. Brill	SPE	

**The Lewis E. and Elizabeth W. Young Undergraduate Scholarships – 2008-2009**

**Virginia Tech**

Brent Slaker	Mining Engineering	\$2000
Matthew Lee Inge	Mining Engineering	\$2000
Isaac M. Witt	Mining Engineering	\$2000
Cory J. Mills	Mining Engineering	\$2000
Richard Tyler Overstreet	Mining Engineering	\$2000
Erich Dohm	Mining Engineering	\$2000

**University of Kentucky**

Jhon Jairo Silva-Castro	Mining Engineering	\$4000
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**Penn State University**

Patrick D'Elia	Mining Engineering	\$2000
Christopher Fedishen	Metallurgical Engineering	\$2000

**Missouri University of  
Science and Technology**

Tom Bailey	Metallurgical Engineering	\$2000
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## AIME Honorary Members (Active List with Year of Election)

**Honorary Membership is awarded in appreciation of outstanding service to the Institute or in recognition of distinguished scientific or engineering achievement in fields embracing, broadly speaking, the activities of AIME and its Member Societies.**

Dato' Mohamad Idris	Mansor	2008	SPE	Arlie M. Skov	1998	SPE
David K. Matlock	2008	AIST	Robert C. Earlougher, Jr.	1997	SPE	
Elmond L. Claridge	2008	SPE	Necmettin Mungan	1997	SPE	
Gary A. Pope	2008	SPE	Khalid Aziz	1996	SPE	
Kenneth E. Arnold	2008	SPE	Thomas V. Falkie	1996	SME	
Robert C. Freas	2008	SME	Morris E. Fine	1996	TMS	
Robert H. Wagoner	2008	TMS	James R. Jordan	1995	SPE	
Alan Lawley	2007	TMS	Hossein Kazemi	1995	SPE	
David R. Keith	2007	SPE	John M. Campbell, Sr.	1994	SPE	
Don W. Green	2007	SPE	Orville D. Gaither	1994	SPE	
Richard J. Fruehan	2007	AIST	Charles L. Bare	1993	SPE	
Robert E. Murray	2007	SME	Marvin L. Katz	1993	SPE	
Roland N. Horne	2007	SPE	Charles S. Matthews	1993	SPE	
Roy H. Koerner	2007	SPE	Frank F. Aplan	1992	SME, TMS	
Flemings Merton C.	2006	TMS	Howard N. Hubbard, Jr.	1992	AIST	
Roshan Boman Bhappu	2006	SME	Alexander McLean	1992	AIST	
Stephen A. Holditch	2006	SPE	Harold W. Paxton	1992	TMS, AIST	
Larry W. Lake	2006	SPE	M.R.J. Wyllie	1992	SPE	
Edward H. Mayer	2006	SPE	T. Don Stacy	1991	SPE	
Leonard G. Nelson	2006	AIST	Marshall B. Standing	1991	SPE	
James L. Rike	2006	SPE	Kermit E. Brown	1990	SPE	
Farouk A. Kenawy	2005	SPE	G. William Knepshield	1990	AIST	
Fernando Samaniego-Verduzco	2005	SPE	Michael Prats	1990	SPE	
Donald W. Peaceman	2004	SPE	Arlen L. Edgar	1989	SPE	
Peter D. Gaffney	2003	SPE	Douglas W. Fuerstenau	1989	SME	
Rajagopal S. Raghavan	2003	SPE	H.J. Gruy	1988	SPE	
Jacques Bosio	2002	SPE	Norman T. Mills	1988	AIST	
Edgar C. Capen	2002	SPE	Joseph G. Richardson	1988	SPE	
John P. Hirth	2002	TMS	Edward E. Runyan	1988	SPE	
Sadad I. Al-Husseini	2001	SPE	Nelson Severinghaus, Jr.	1988	SME	
W. John Lee	2001	SPE	David A. Zegeer	1988	SME	
Donald W. Gentry	2000	SME	Ben H. Caudle	1987	SPE	
John L. Gidley	2000	SPE	Lawrence B. Curtis	1987	SPE	
Dennis E. Gregg	2000	SPE	William A. Griffith	1987	SME	
Noel D. Rietman	1999	SPE	Donald G. Russell	1987	SPE	
R. Lyn Arscott	1998	SPE	Edmund C. Babson	1986	SPE	
John K. Hammes	1998	SME	Donald A. Dahlstrom	1986	SME	

R. Charles	Earlougher	1985	SPE
Robert H.	Merrill	1985	SME
Wayne L.	Dowdey	1984	SME
William N.	Poundstone	1983	SME
H. Arthur	Nedom	1982	SPE
Julius J.	Harwood	1981	TMS
Wayne E.	Glenn	1980	SPE
Michael	Tenenbaum	1980	TMS
John C.	Calhoun, Jr.	1976	SPE
Harrison H.	Schmitt	1973	SME

## Legion of Honor 50-Year Members – Class of 1958

*AIME is particularly proud to honor the following people whose membership in the Institute spans a fifty-year period. To all of these people, AIME owes gratitude for their loyalty and appreciation for their faith in its standards. Many have held high office in the AIME ranks and have devoted their time and talents to its continued growth and prestige. They stand to serve as outstanding inspirations for all members. This year 275 Society members have been added to the Legion of Honor Fifty-Year Members.*

### Society for Mining, Metallurgy, and Exploration (SME)

George-J.-Allen-  
Cornelius-E.-Berthold-  
Layton-C.-Binon-  
Clarence-B.-Blair-  
Charles-P.-Blickle-  
Thomas-R.-Carlson-  
Jerome-B.-Carr-  
Wayne-S.-Cavender-  
Peter-J.-Crescenzo-  
Peter-G.-Donald-  
Karl-E.-Elers-  
Robert-E.-Ennis-  
Horace-A.-Ensign-  
David-D.-Eyer-

Delos-E.-Flint-  
Alfred-E.-France-  
William-F.-Gaspar-  
James-C.-Gay-  
Henry-V.-Greenwood-  
Ronald-O.-Harma-  
William-E.-Hawes-  
Thomas-A.-Henrie-  
Paul-C.-Jones-  
Edward-P.-Jucevic-  
Dennis-R.-Keefer-  
David-M.-Kjos-  
Kurt-R.-Kuehlthau-  
Byron-I.-Larsen-

Raymond--Lasmanis-  
Raymond-L.-Lowrie-  
James-H.-Lundy-Jr.-  
Gordon-R.-Lyda-  
Raymond-G.-Mateer-  
John-W.-Mossop-  
Siegfried--Muessig-  
Donald-K.-Nelson-  
Daniel-E.-O'Brien-  
Eric-A.-Peterson-  
Richard-B.-Porter-  
Robert-F.-Pritchett-  
Norman-A.-Radford-  
Joe-W.-Reese-

Gordon-L.-Steele-  
John-J.-Stetler-  
R-M.-Swerdfeger-  
Duane-M.-Thayer-  
James-C.-Tiffany-  
Edward-P.-Utting-  
J-H.-Vered-Weiss-  
David-V.-Wallerstein-  
Ira-B.-Warne-  
David-L.-Watson-  
Charles-E.-Wier-  
Birl-W.-Worley-Jr.-  
Edward-M.-Yates-  
Donal-F.-Ziehl-

### The Minerals, Metals, and Materials Society (TMS)

Richard-V.-Barone  
Daniel-N.-Beshers  
Bernard-S.-Borie  
J.-H.-Brophy  
Morris-A.-Dodd  
Peter-U.-Fischer  
Merton-C.-Flemings  
M.-Harris  
Julius-J.-Harwood  
Lloyd-A.-Heldt

Ken-ichi--Hirano  
Kenneth-A.-Jackson  
Ralph-C.-Kirby  
John-J.-Kramer  
Gerald-L.-Liedl  
Jan-W.-Matousek  
Robert-C.-McAllister  
Hugh-J.-McQueen  
Roger-J.-Moore  
V.-C. P.-Morfopoulos

Karl-E.-Muszar  
William-R.-Nasmyth  
Leander-A.-Neumeier  
David-E.-Peacock  
S.-Victor-Radcliffe  
Edward-J.-Ripling  
Kenneth-C.-Russell  
F.-A.-Schaufelberger  
Edward-J.-Stoyack  
Carl-P.-Stroble

Morris--Tanenbaum  
Pierre- -Taubenblat  
Walter-W.-Trainor  
Monroe-S.-Wechsler  
Martin- -Weinstein  
John-A.-Wheeler  
John-E.-Woodilla  
Wayne-L.-Worrell  
Chester-V.-Zabielski

### Association for Iron and Steel Technology (AIST)

Jagdish Agarwal  
J. Bassett  
William Betts  
John Campbell  
Richard Choulet  
Terence Dancy  
Pesi Dastur  
Paul Deeley  
Richard Draus  
John Edstrom  
Harold Emerick  
Robert Engelbert  
Francis Fairman

John Farley  
Richard Garner  
Gordon Geiger  
Edwin Horak  
George Jedenoff  
Robert Joseph  
Peter Koros  
Philip Landon  
Frederick Langenberg  
Joseph LaPorte  
Stanley Lasday  
Edward Levy  
Louis Lherbier

Peter Mackenzie  
William Mast  
Arthur McConnell  
George Myers  
John Negomir  
Charles Nock  
Heath Oliver  
Theodore Ondocsin  
Robert Pehlke  
Richard Reddy  
Robert Reilly  
Donald Rieco  
Norman Robins

Philip Scarola  
William Scherer  
Robert Schnure  
Herbert Sellers  
Robert Shelley  
Bruce Shields  
Charles Slater  
George St. Pierre  
John Stubbles  
Johannes Uys  
John Walsh  
Richard Whela

## Legion of Honor 50-Year Members – Class of 1958

*AIME is particularly proud to honor the following people whose membership in the Institute spans a fifty-year period. To all of these people, AIME owes gratitude for their loyalty and appreciation for their faith in its standards. Many have held high office in the AIME ranks and have devoted their time and talents to its continued growth and prestige. They stand to serve as outstanding inspirations for all members. This year 275 Society members have been added to the Legion of Honor Fifty-Year Members.*

### Society of Petroleum Engineers (SPE)

<b>Alaska Petroleum</b>	William Callaway	Robert Mills	Dean Shepard
James Givens	David Fagin	<b>Gulf Coast</b>	A. Stockton
<b>Amarillo Petroleum</b>	George Fancher	R. Artzberger	Aytekim Timur
Walter Turner	Norman Hammond	Schley Babin	Robert Visser
<b>Austin</b>	Robert Jonas	Gene Beery	<b>Mid-Continent</b>
Art Schmidt	Hossein Kazemi	Johnny Boggs	Ralph Buckley
John Weyler	Billy Putman	W. Bohlmann	Dwight Dauben
<b>Balcones</b>	John Richardson	Billy Chesser	Howard Ferrell
E. Deschner	<b>East Kentucky</b>	Charles Clark	H. Froning
Grafton Hunt	Ernest Jenkins	Douglas Cole	H. Howard
Anthony Wilkowski	W. Lindsey	Eustace Coltharp	James Kelly
<b>Bartlesville</b>	<b>East Texas</b>	Michael Cone	Gordon Romine
Michael Fetkovich	Donald Wisinger	J. Fitzgerald	J. Stahl
Wallace May	<b>Ecuador</b>	James Hamilton	<b>Mississippi</b>
<b>Brazil</b>	Danilo Angel	Feldor Hollenshead	J. Johnston
Fernando Lavaquial	<b>Edmonton</b>	Robert Lane	<b>National Capital</b>
<b>Canadian</b>	S.M. Farouq Ali	Robert Maby	Gene Grogan
Robert Addinell	<b>Evangeline</b>	Edward Miller	Carlton Land
John Farries	James Blackwell	A. Moncrief	<b>New York and</b>
A. McLean	Tom Blankenship	Arthur Morris	<b>New England</b>
Charles Shultz	George Cole	Roland Pohler	<b>Petroleum</b>
<b>Colombian</b>	Edwin Davis	Louis Powers	Robert Donaldson
Pedro Martinez	C. Hightower	R. Robinson	Robert Ostrander
<b>Dallas</b>	Donald Weintritt	Riley Sheffield	<b>North Texas</b>
Ernest Barnett	<b>Fort Worth</b>	Richard Vernotzy	Charles Engelman
Gerald Bell	Benny Eaton	Loren Vogel	<b>Oklahoma City</b>
Robert Cooksey	Jack Fikes	William Volz	Charles Bale
Kantilal Desai	Lloyd Jones	Henry Weigel	John Gieck
C. Hunnicutt	Thomas Reed	Rae White	Francis King
Carroll Mahoney	<b>Four Corners</b>	<b>Hobbs Petroleum</b>	Kent Myers
Robert Patterson	<b>Petroleum</b>	T. Collins	Roy Strom
Allen Smith	Thomas Johnson	<b>Illinois Basin</b>	<b>Permian Basin</b>
Thomas Williams	Sidney Jones	<b>Petroleum</b>	Samuel Curtis
Bertram Wood	<b>France</b>	Robert Greenkorn	Niran Kellogg
<b>Delta</b>	Joseph Husson	<b>London</b>	William LaForce
James Morris	<b>Golden Gate</b>	Michael King	Don Sparks
<b>Denver</b>	Khalid Aziz	<b>Los Angeles Basin</b>	Loren Stiles
Jerry Bergeson	Kenneth Green	Rudolph Elvera	

## Legion of Honor 50-Year Members – Class of 1958

*AIME is particularly proud to honor the following people whose membership in the Institute spans a fifty-year period. To all of these people, AIME owes gratitude for their loyalty and appreciation for their faith in its standards. Many have held high office in the AIME ranks and have devoted their time and talents to its continued growth and prestige. They stand to serve as outstanding inspirations for all members. This year 275 Society members have been added to the Legion of Honor Fifty-Year Members.*

### Society of Petroleum Engineers (SPE) Continued

#### Pittsburgh Petroleum

L. Wilson

#### Salt Lake Petroleum

W. Barney Gogarty

#### San Joaquin Valley

Dale Hankins

#### South Plains

T. King

#### Southeastern

Gerald Langnes

#### Unassigned

Dan Bartlett

Paul Dechanxhe

Jack Dowdy

Arthur Howard

Edmund Rigatti

#### Western Slope

E. Breitenbach

#### Wichita Petroleum

Ronald Cook

James Daniels

Karlos Sieg



***AMERICAN INSTITUTE OF MINING,  
METALLURGICAL, AND  
PETROLEUM ENGINEERS, INC.***

**FINANCIAL STATEMENTS**

**December 31, 2008**

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**BONDI & Co. LLC**

CERTIFIED PUBLIC ACCOUNTANTS  
MANAGEMENT CONSULTANTS

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**Board of Directors  
American Institute of Mining, Metallurgical, and  
Petroleum Engineers, Inc.  
Littleton, Colorado**

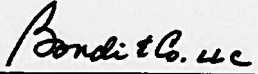
**Independent Auditors' Report**

We have audited the accompanying statement of financial position of the American Institute of Mining, Metallurgical, and Petroleum Engineers, Inc. (AIME) as of December 31, 2008, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the AIME's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior-year summarized comparative information has been derived from AIME's 2007 financial statements and, in our report dated March 24, 2008, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the American Institute of Mining, Metallurgical, and Petroleum Engineers, Inc. as of December 31, 2008, and changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

March 9, 2009

  
**BONDI & Co. LLC**



Affiliate Offices Worldwide



AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND  
PETROLEUM ENGINEERS, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2008

(With Summarized Comparative Totals at December 31, 2007)

	2008	2007
<u>ASSETS</u>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 63,796	\$ 44,191
Accounts Receivable	200,030	4,749
Prepaid Expenses and Other Assets	18,863	20,532
Total Current Assets	282,689	69,472
PROPERTY AND EQUIPMENT, NET (Note 3)	534	2,047
<b>OTHER ASSETS</b>		
Investments - At Fair Value (Note 2)	7,977,421	12,022,859
Total Other Assets	7,977,421	12,022,859
<b>TOTAL ASSETS</b>	<b>8,260,644</b>	<b>12,094,378</b>
<u>LIABILITIES AND NET ASSETS</u>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Expenses	201,575	3,637
Total Current Liabilities	201,575	3,637
<b>NET ASSETS</b>		
Unrestricted	5,483,576	8,217,305
Temporarily Restricted (Note 6)	1,977,870	3,275,813
Permanently Restricted (Note 7)	597,623	597,623
Total Net Assets	8,059,069	12,090,741
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 8,260,644</b>	<b>\$ 12,094,378</b>

The accompanying notes are an integral part of the financial statements.

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND  
PETROLEUM ENGINEERS, INC.

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2008

(With Summarized Comparative Totals for the Year Ended December 31, 2007)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total 2008	Total 2007
<b>REVENUES AND GAINS</b>					
Investment Income (Note 2)	\$ (2,428,961)	\$ (1,152,520)	\$	\$ (3,581,481)	\$ 980,145
Offshore Technology Conference Fees	206,518			206,518	186,771
Copyright and Other Revenue	98,618			98,618	663
Net Assets Released from Restriction (Notes 6 and 7)	145,423	(145,423)			
Total Revenues and Gains	<u>(1,978,402)</u>	<u>(1,297,943)</u>		<u>(3,276,345)</u>	<u>1,167,579</u>
<b>EXPENSES</b>					
Program Services:					
Special Projects and Grants	378,391			378,391	349,790
Medals and Awards	103,093			103,093	123,227
Meetings	170,018			170,018	136,448
Total Program Services	651,502			651,502	609,465
Supporting Services:					
Management and General	103,825			103,825	104,889
Total Expenses	<u>755,327</u>			<u>755,327</u>	<u>714,354</u>
CHANGES IN NET ASSETS	(2,733,729)	(1,297,943)		(4,031,672)	453,225
NET ASSETS, Beginning of Year	<u>8,217,305</u>	<u>3,275,813</u>	<u>597,623</u>	<u>12,090,741</u>	<u>11,637,516</u>
NET ASSETS, End of Year	<u>\$ 5,483,576</u>	<u>\$ 1,977,870</u>	<u>\$ 597,623</u>	<u>\$ 8,059,069</u>	<u>\$ 12,090,741</u>

The accompanying notes are an integral part of the financial statements.

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND  
PETROLEUM ENGINEERS, INC.

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2008

(With Summarized Comparative Totals for the Year Ended December 31, 2007)

	2008	2007
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash Received from Members and Customers	\$ 103,147	\$ 189,391
Cash Paid to Suppliers and Employees	(620,801)	(716,270)
Dividends and Interest Income	292,067	805,513
	(225,587)	278,634
Net Cash Provided by Operating Activities		
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from Endowment	245,189	(457,016)
Purchase of Equipment		(1,600)
Repayment of Loans from Member Societies		5,000
	245,189	(453,616)
Net Cash Used by Investing Activities		
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	19,602	(174,982)
<b>CASH AND CASH EQUIVALENTS, Beginning of Year</b>	44,191	219,173
<b>CASH AND CASH EQUIVALENTS, End of Year</b>	63,793	44,191
<b>RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Change in Net Assets	(4,031,672)	453,225
<b>ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Depreciation	1,511	2,048
Unrealized Loss (Gain)	3,800,245	(174,632)
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable from Member Societies	(195,281)	1,957
(Increase) Decrease in Prepaid Expenses and Other Assets	1,669	(6,382)
Increase in Accounts Payable	197,938	2,418
	3,806,082	(174,591)
Net Adjustments		
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	\$ (225,590)	\$ 278,634

The accompanying notes are an integral part of the financial statements.

AMERICAN INSTITUTE OF MINING, METALLURGICAL,  
AND PETROLEUM ENGINEERS, INC.

STATEMENT OF FUNCTIONAL EXPENSE

For the Year Ended December 31, 2008

(With Summarized Comparative Totals for the Year Ended December 31, 2007)

	Program Services			Supporting Services		Total 2008	Total 2007
	Special Projects and Grants	Medals and Awards	Meetings	Program Services Total	Management and General		
	\$ 346,777	\$ 52,966	\$ 561	\$ 400,304	\$ 3,137	\$ 403,441	\$ 258,174
Medals, Awards and Scholarships	21,332	38,557	77,138	137,027	55,760	192,787	146,000
Member Society Direct Payments	6,479	5,145	72,284	83,908	21,488	105,396	180,361
Payroll and Employee Benefits	420	1,682	4,205	6,307	4,205	10,512	68,255
Meetings	531	2,122	5,306	7,959	5,306	13,265	31,486
Audit, Legal and Professional Services	34	135	337	506	336	842	12,320
Rent (Note 8)	1,899	1,899	3,797	7,595	11,392	18,987	8,395
Other	552	220	5,657	6,429	907	6,429	3,836
Supplies, Postage, Maintenance and Repairs	151	151	302	604	907	1,511	2,048
AIIME Board Activities	216	216	431	863	1,294	2,157	2,567
Depreciation (Note 3)							
Insurance							
<b>Total</b>	<b>\$ 378,391</b>	<b>\$ 103,093</b>	<b>\$ 170,018</b>	<b>\$ 651,502</b>	<b>\$ 103,825</b>	<b>\$ 755,327</b>	<b>\$ 714,354</b>

The accompanying notes are an integral part of the financial statements.

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND  
PETROLEUM ENGINEERS, INC.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2008

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Organization**

Organized in 1871, the American Institute of Mining, Metallurgical, and Petroleum Engineers, Inc. (AIME) is a professional organization organized to support the advancement of Member Societies and to represent the Member Societies in the larger engineering and scientific community.

AIME is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is not considered a private foundation.

AIME's four member societies are the Society for Mining, Metallurgy, and Exploration (SME); The Minerals, Metals & Materials Society (TMS); the Association for Iron & Steel Technology (AIST) and the Society of Petroleum Engineers (SPE). When sufficient funds are available, determined by formula, AIME provides funding for overarching programs (programs conducted by two or more member societies that carry out AIME's purpose) and funding for member-direct programs of the member societies based on their project requirements. The AIME financial statements do not include the accounts of the four member societies.

AIME's significant revenue sources include conference proceeds and investment income.

**Basis of Presentation**

The financial statements have been prepared on the accrual basis of accounting in accordance with the AICPA's Audit and Accounting Guide, *Not-for-Profit Organizations*.

**Use of Estimates in the Preparation of Financial Statements**

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

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND  
PETROLEUM ENGINEERS, INC.

NOTES TO THE FINANCIAL STATEMENTS (Continued)  
December 31, 2008

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Method of Accounting**

AIME has adopted Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, AIME is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Unrestricted net assets of the operating fund are supported by resources over which the governing board has discretionary control. Temporarily restricted net assets are restricted by donors for various uses including scholarships and awards. Permanently restricted net assets represent AIME's endowment. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized.

**Comparative Financial Information**

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with AIME's financial statements for the year ended December 31, 2007, from which the summarized information was derived.

**Contributions**

AIME has adopted SFAS No. 116, *Accounting for Contributions Received and Contributions Made*. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence or nature of any donor restrictions.

**Cash and Cash Equivalents**

For purposes of the cash flow statement, AIME considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND  
PETROLEUM ENGINEERS, INC.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

December 31, 2008

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Investments**

Investments are valued at fair value, which is the prevailing market value at year-end, with the resulting change in unrealized gains or losses included in the statement of activities.

**Property and Equipment**

Acquisitions of property and equipment of \$1,000 or more are capitalized. Donated equipment is recorded at fair market value at the date of the donation. Purchased equipment is recorded at cost. Depreciation of furniture and equipment is being provided for by the straight-line method over the estimated useful lives of three to seven years.

**Member Grants**

Grants for member-direct programs of the member societies are accrued when approved by the Board.

**Inventory**

Inventory is valued at estimated cost and consists of medals and awards.

NOTE 2: CASH AND INVESTMENTS

AIME maintains a cash account at a commercial bank. The account is guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. At various times throughout the year, the balance in the account may exceed this limit.

On October 3, 2008, as part of the Economic Stabilization Act, Congress temporarily increased FDIC insurance from \$100,000 to \$250,000 per depositor through December 31, 2009.

The endowment funds of AIME are managed by a firm selected by the Trustees (currently Hirtle Callaghan) for maximum total return with acceptable risk.

Market values at December 31, 2008, classified by major investment type, are summarized as follows:

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND  
PETROLEUM ENGINEERS, INC.

NOTES TO THE FINANCIAL STATEMENTS (Continued)  
December 31, 2008

NOTE 2: CASH AND INVESTMENTS (Continued)

	Market Value	Fair Value Measurements at Reporting Dates Using: Quoted Prices in Active Markets for Identical Assets (Level 1)
Mutual Funds		
Cash Equivalents	\$ 227,327	\$ 227,327
Bonds and Notes:		
US Fixed Income	2,069,839	2,069,839
Alternative Fixed Income	512,429	512,429
Equity Securities:		
US Large Cap	2,586,817	2,586,817
US Small Cap	431,135	431,135
Non-US Developed Markets	1,060,704	1,060,704
Non-US Emerging Markets	162,768	162,768
Alternative Equity	990,198	990,198
	\$ 8,041,217	\$ 8,041,217

The alternative equity investments consist of mutual funds which invest in hedge funds. Each hedge fund holds indirect derivatives that allow the investments to borrow and leverage securities against poorly performing securities. The value of these funds is determined monthly by a review of the underlying limited partnerships. This portion of AIME's investment portfolio is not liquid and is anticipated to be held for three to seven years.

Of the total investments noted above, six of the eight funds are individually over 5% of the total investment portfolio.

Investment income and its classification in the statement of activities for the year ended December 31, 2008 are as follows:

Dividends and Interest	\$ 292,067
Realized Gains	(17,602)
Unrealized Gains	(3,800,245)
Investment Advisory Fees	(55,701)
Total Investment Income	\$ (3,581,481)



AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND  
PETROLEUM ENGINEERS, INC.

NOTES TO THE FINANCIAL STATEMENTS (Continued)  
December 31, 2008

NOTE 3: LAND, BUILDINGS AND EQUIPMENT

Property and equipment balances as of December 31, 2008, consist of the following:

	<u>12/31/2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/2008</u>
Furniture and Equipment	\$ 19,446	\$	\$	\$ 19,446
Accumulated Depreciation	(17,398)	(1,514)		(18,912)
Net Furniture and Equipment	<u>\$ 2,048</u>	<u>\$(1,514)</u>	<u>\$</u>	<u>\$ 534</u>

NOTE 4: RETIREMENT PLAN

Effective January 1, 2008, AIME adopted a defined contribution plan administered by a third party trustee covering all full-time employees. Employer discretionary match contributions of 100% of the first 6% of employee contributions are required to be made each pay period. Employees are eligible to participate in the plan after three months of service and are 100% immediately vested. AIME contributed \$7,500 as the employer match for the year ended December 31, 2008.

NOTE 5: TRANSACTIONS WITH AFFILIATES

AIME also remitted \$1,484,536 to member societies in 2008 for assistance with their annual meetings, reimbursement for award programs, and special programs.

Included in Accounts Payable at December 31, 2008 is \$190,390 due to member societies.

NOTE 6: TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets fulfilling time and other restriction requirements were released in the amount of \$145,423, as of December 31, 2008. Temporarily restricted net assets at December 31, 2008 have been restricted by donors and Board appropriations for special projects to be spent as follows:

AMERICAN INSTITUTE OF MINING, METALLURGICAL, AND  
PETROLEUM ENGINEERS, INC.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

December 31, 2008

NOTE 6: TEMPORARILY RESTRICTED NET ASSETS (Continued)

Medals & Awards	\$ 778,510
Scholarships	530,279
Specific Use	<u>669,080</u>
Total	<u>\$ 1,977,869</u>

NOTE 7: PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets are investments in perpetuity, the income from which is expendable to support the following programs. There were no additions to permanently restricted net assets during 2008.

Scholarships	\$ 340,484
Specific Use	146,000
Medals & Awards	<u>111,139</u>
Total	<u>\$ 597,623</u>

NOTE 8: COMMITMENTS

In June 2003, AIME entered into an operating lease with SME (Affiliate) for office space through 2008. The lease requires monthly payments of \$555 per month. Rental payments will increase annually based on the Consumer Price Index. The lease can be terminated by either party with one year notification. Lease expense paid for the year ended December 31, 2008 was \$13,265.

Future minimum lease payments are as follows:

Year	Lease Payment
2009	\$ 6,660
Total Future Payments	<u>\$ 6,660</u>

**Member Societies:**

Society for Mining, Metallurgy, and Exploration  
8307 Shaffer Parkway, PO Box 277002, Littleton, CO 80127-7002  
Phone: 303-973-9550, Fax: 303-973-3845

Internet: [www.smenet.org](http://www.smenet.org)  
E-mail: [sme@smenet.org](mailto:sme@smenet.org)

The Minerals, Metals & Materials Society  
184 Thorn Hill Road, Warrendale, PA 15086-7528  
Phone: 724-776-9000, Fax: 724-776-3770

Internet: [www.tms.org](http://www.tms.org)  
E-mail: [tmsgeneral@tms.org](mailto:tmsgeneral@tms.org)

Association For Iron and Steel Technology  
186 Thorn Hill Road, Warrendale, PA 15086-7528  
Phone: 724-776-6040, Fax: 724-776-1880

Internet: [www.aist.org/](http://www.aist.org/)  
E-mail: [info@aist.org](mailto:info@aist.org)

Society of Petroleum Engineers  
PO Box 833836, Richardson, TX 75083-3836  
Phone: 972-952-9393, Fax: 972-952-9435

E-mail: [postmaster@spe.org](mailto:postmaster@spe.org)  
Internet: [www.spe.org](http://www.spe.org)

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**American Institute of Mining, Metallurgical and Petroleum Engineers, Inc.**  
**Physical Address: 8307 Shaffer Parkway, Littleton, CO 80127-4012**  
**Mailing Address: P.O. Box 270728, Littleton, CO 80127-0013**  
**Phone: 303-948-4255, Fax: 303-948-4260**  
**Internet: [www.aimehq.org](http://www.aimehq.org)**  
**E-mail: [aime@aimehq.org](mailto:aime@aimehq.org)**