

COUNCILOR TALKING POINTS
SUMMARY OF GOVERNANCE ACTIONS/REPORTS

AMERICAN CHEMICAL SOCIETY
239th ACS NATIONAL MEETING
SAN FRANCISCO, CA
MARCH 21-25, 2010

The following summary is provided to help Councilors report to their local sections and divisions on key actions of the ACS Council and Board of Directors at the 2010 spring national meeting.

ACTIONS OF THE COUNCIL

Election Results

- The Committee on Nominations and Elections presented to the Council the following nominees for selection as candidates for President-Elect, 2011: Luis A. Echegoyen, John P. Fackler, Jr., and Bassam Z. Shakhshiri. A fourth candidate withdrew on February 3 for personal reasons. At that time, the Committee on Nominations and Elections voted to continue the search for a replacement nominee based on the ranking previously developed by the Committee. Committee action specified that if no replacement nominee was found by March 12, 2010, then the original nominee list and biographical data, without the nominee who withdrew, would be sent to the Council. As no nominee was identified, three nominees were presented.

By electronic ballot, the Council selected Luis A. Echegoyen and Bassam Z. Shakhshiri as candidates for 2011 President-Elect. These two candidates, along with any candidates selected via petitions, will stand for election in the Fall National Election.

- The Committee on Nominations and Elections announced the results of the election to select candidates from the list of nominees to represent District II and District IV on the Board of Directors for the term 2011-2013. Nominees for District II included: George M. Bodner, Andrew D. Jorgensen, V. Michael Mautino, and Joseph R. Peterson. Nominees for District IV included John W. Finley, Larry K. Krannich, Will E. Lynch, and Ingrid Montes. By mail ballot, the Councilors from these districts selected George M. Bodner and Joseph R. Peterson as District II candidates; and Larry K. Krannich and Will E. Lynch as District IV candidates. Ballots will be mailed on or before October 10 to all members in District II and District IV for election of a Director from each District.

Candidates for Directors-at-Large

- The Committee on Nominations and Elections announced the selection of the following candidates for Directors-at-Large for a 2011-2013 term: Janan M. Hayes, Robert L. Lichter, Kathleen M. Schulz, and Kent J. Voorhees. The election of two Directors-at-Large will be conducted in the fall. Ballots will be mailed to the Council on or before October 10.

Petitions to Amend the Constitution and Bylaws

(For Action)

The Council received three amendments to the ACS Constitution and Bylaws for action: The Petition on Admissions Committee, the Petition on Candidate Selection by Member Petition, and the Petition on Election Timelines 2009.

The Council VOTED to approve the Petition on Admissions Committee. This petition removes the Admission Committee from the Bylaws and transfers its functions to the Council Committee on Membership Affairs.

After considerable debate, a motion to approve the Petition on Candidate Selection by Member Petition FAILED. The Petition on Candidate Selection by Member Petition would have amended the Constitution to emphasize that candidates selected by a petition process from members will have no further screening.

The Council also thoroughly debated the merits of the Petition on Election Timelines 2009. The motion to approve this petition FAILED. The Petition on Election Timelines 2009 would have shortened certain national election timelines.

The Board of Directors will vote within 90 days on whether to ratify the Petition on Admissions Committee.

(For Consideration)

- The Council received three petitions for consideration: The Petition on International Chemical Sciences Chapters, Petition on President-Elect Eligibility, and Petition on Recorded Votes. The Petition on International Chemical Sciences Chapters provides for travel funds for either the Chair or Chair-Elect of International Chemical Sciences Chapters to attend governance meetings at twice the amount allotted for a Councilor. The Petition on President-Elect Eligibility requires that nominees or candidates for President-Elect come from an academic background every other election, and that only those from non-academic backgrounds would be eligible in the alternate years. The Petition on Recorded Votes provides for additional voting methods, e.g., clickers that have been recently used at Council meetings, when conducting recorded votes. Action is expected on these petitions at the fall Council meeting.

The Society's Finances

- The Council and Board of Directors learned that the Society's total 2009 revenue (\$460 million) was up +1% from 2008, but fell short of the 2009 approved budget by \$19.5 million or 4.1%. Fortunately, the revenue shortfall was fully anticipated in early 2009. Therefore, contingency planning actions and cost containment initiatives were implemented across the Society, resulting in expense savings totaling \$22.5 million. Significant reductions were realized in salaries and fringe benefits, and in discretionary accounts such as travel, training, and professional services. As a result, the Society's Net Return from Operations was \$13.7 million, or \$3.0 million greater than anticipated in the 2009 Approved Budget.

Unrestricted Net Assets rebounded in 2009 to approximately \$124 million, from a previous \$60 million at the end of 2008. The significant increase can be attributed to the favorable operating results, investment gains, and a net reduction in the Society's post-retirement benefit plan liabilities. The Society ended the year in compliance with four of the five Board-established financial guidelines. The Fund Balance Ratio Guideline, which measures the adequacy of the Society's unrestricted net assets, was not met. The financial outlook for 2010 is better, and ACS management expects the Society to meet the 2010 approved budget.

2011 Member Dues

- The Council VOTED to set the member dues for 2011 at the fully escalated rate of \$146. This rate is established pursuant to an inflation-adjustment formula in the ACS Constitution and Bylaws.

Local Section Allotment Calculator

- The Council VOTED to continue for three years the current formula for determining allotments to local sections.

Member Statistics

- At the close of 2009, Society membership totaled 161,783 compared to 154,024 for year-end 2008. The number of new membership applications received last year was the highest ever. The 2009 number also reflects the transition of 6,658 former Student Affiliates to the new student member category in June 2009 and the recruitment of 6,341 new student member undergraduates.

Attendance Report

- As of March 24, 2010, the ACS spring national meeting had attracted 18,076 registrants as follows: Regular attendees, 9,715; Students, 5,705; Exhibitors, 1,219; Exposition only, 923; and Guests, 514.

ACTIONS OF THE BOARD OF DIRECTORS

Committee Actions

The Board received reports from its Executive Committee, Committee on Grants and Awards (G&A), and Committee on Planning.

The Executive Committee closely examined its role and that of the Planning Committee, and concluded that both committees add value and are important to the overall work of the Board of Directors.

The Committee on Grants and Awards presented the Board with a screened list of nominees for the 2011 Priestley Medal, the Volunteer Service Award, and the Parsons Award. The Board agreed to review the screened list and announce the winners of these three awards after its June meeting.

The Board's Committee on Planning met with the Board in executive session. At that point, the Board Chair announced that the Board of Directors had VOTED to grant full voting rights on the Planning Committee to the chairs of the Committees on Local Section Activities and Divisional Activities. (CPC & B&F already vote.) The committee and the Board then discussed the results of an external environmental scan and offered suggestions that could be used to refine the Society's Strategic Plan for 2011 and Beyond. The committee and the Board also reviewed the committee's role and considered some modifications to its charge and to its frequency of meetings.

Presidential Task Force on Diversity Reports

The Board received a report from the President's Task Force on Diversity Reports. The task force was charged with assessing the recommendations from the diversity workshop reports in the context of current efforts and committees of the Society, and developing a road map for the implementation of the recommendations. The task force also urged that the ACS move into a leadership role in promoting the education, professional development, and inclusion and equity of present and future generations of chemical professionals that reflect the diversity of America. The Presidential succession and the full Board VOTED to refer the task force report to the Board Standing Committee on Professional and Member Relations for prioritization, assignment of accountability, and development of implementation timelines, and discharged the task force with sincere thanks for its excellent work.

The Executive Director/CEO Report

The Executive Director/CEO, along with several of her direct reports, updated the Board on the activities of Chemical Abstracts Service, the Publications Division, and the Society's General Counsel. As a follow-up, the Board VOTED to approve a new appointment and three reappointments of journal editors.

On the recommendation of the ACS Governing Board for Publishing, the Board VOTED to accept a recommendation to authorize an additional member position on the Governing Board whenever additional expertise or perspective would help it execute its duties.

Compensation of Society Staff

On the recommendation of the Committee on Executive Compensation, the Board VOTED to approve several actions relative to compensation for the Society's Executive staff. The compensation of the Society's executive staff receives regular review from the Board.

Other Society Issues

The Board was briefed by its working group monitoring 2010 Board Logistical Training. This plan, which currently includes four broad topic areas, is designed to enhance overall Board effectiveness. The Board also received reports from several international guests representing the following scientific societies: Brazilian Chemical Society, the Chemical Society for Canada, the European Association for Chemical and Molecular Sciences (EuCheMS), the Royal Society of Chemistry (RSC), and the International Union of Pure and Applied Chemistry (IUPAC).