

MINUTES
REGULAR SESSION
BOARD OF DIRECTORS
AMERICAN CHEMICAL SOCIETY
Baltimore, Maryland
June 3, 2007

The Board of Directors of the American Chemical Society met in Baltimore, Maryland, on June 3, 2007, beginning at 9:40 a.m. Judith L. Benham, Chair, presided. Other Directors present for all or part of the meeting were: Eric C. Bigham, Bruce E. Bursten, Catherine T. Hunt, Madeleine Jacobs, Madeleine M. Joullié, Valerie J. Kuck, C. Gordon McCarty, Anne T. O'Brien, Howard M. Peters, Diane G. Schmidt, and Kent J. Voorhees. Present by invitation for all or part of the meeting were: Brian A. Bernstein, Robert D. Bovenschulte, Denise L. Creech, Yvonne D. Curry, W. Christopher Hollinsed, Martha K. Lester, Flint H. Lewis, Robert J. Massie, Linda R. Raber, Claudette A. Simpson, David T. Smorodin, John R. Sullivan, Frank E. Walworth, and Marleen G. Weidner.

Approval of Minutes

1. The Board of Directors VOTED to approve the minutes of the meeting of March 25, 2007, as distributed.

Report from Executive Session

Judith L. Benham, Chair, opened the June 3rd meeting with a summary of the key Board actions and discussion points of its executive session, June 2-3, 2007, as follows:

- consensual agreement in support of the directions presented by the International Strategy Group, with a more detailed implementation plan expected to be presented at the fall Board meeting;
- concurrence with the Committee on Grants and Awards' action to endorse the implementation of a proposal for new directions for the ACS PRF Grants Program;
- approval of the following: continuation of three joint Board-Council committees – Science, Women Chemists, Younger Chemists; the Petition on Election Procedures 2006, Part 1, and the Petition on Multi-year Dues; the Chemical Professional's Code of Conduct; national meeting dates and sites – April 2-6, 2017, San Francisco, and September 10-14, 2017, St. Louis; and a change in location for the 2011 fall national meeting contingent on approval by the full Committee on Meetings and Expositions;
- a report from the Executive Director and CEO, along with several of her direct reports, on the ACS Strategic Development Plan for fiscal years 2007-2012; the ACS Green Chemistry Institute; the search strategy for the President of the Publications Division position; and an update on the activities of the Publications Division, Chemical Abstracts Service, and the Society's General Counsel;
- approval of several actions relative to compensation for the Society's executive staff;
- announcement of 2008 winners of the Priestley Medal and the Award for Volunteer Service to the ACS;
- agreement that if the Petition on Membership Categories is approved by the Council and its requirements become effective, an amount equivalent to the total Student Member dues recorded will be transferred or allocated to the Education Division budget to fund ongoing undergraduate program expenses;
- agreement that the Committee on Committees be asked to expedite its consideration of a new policy regarding travel for non-councilor committee members;

- endorsement of a draft strategic plan;
- agreement to develop Board goals for 2008 through a Board subgroup.

INFORMATION ITEMS

Reports of Officers

Chair Judith L. Benham reported that the Board members held a successful retreat in April and that they agreed to devote a portion of their future meeting to an in-depth study of a major societal issue. Dr. Benham also report that the Board developed its own rules of engagement and that this is leading to a greater spirit of congeniality among her colleagues. She thanked both the Board and staff for their participation at the June meeting.

President Catherine T. Hunt began her report with a review of Society milestones: the 129th anniversary of the Journal of the American Chemical Society, the 100th anniversary of Chemical Abstracts Service, and four other notable milestones. Next, she reviewed the Society's financial position, noting that we are a strong association. She added that although we are the "American" Chemical Society, we have a growing international presence with 18,000 of our 160,000 members in 130 other countries.

Dr. Hunt reminded her Board colleagues that the Society has a clear vision and demonstrates that vision on many fronts. She reviewed her presidential themes and recapped a few of her programs held at the spring national meeting. Dr. Hunt described the interface of members, staff, Board, and Council working together to change the face of chemistry.

President-Elect Bruce E. Bursten thanked his Board colleagues and staff for their support this year. He stated that he plans to continue to build on the momentum started by President Hunt during her presidential year. Dr. Bursten commented that he is currently involved in those items designated to the president-elect, such as the appointment process for committee chairs. Dr. Bursten noted that the "Centrality of Chemistry" will be a focus during his presidency. Reaching the broader chemical enterprise is a priority for him.

Executive Director and CEO Madeleine Jacobs began her comments by thanking the senior team and others present for their part in the success of the June Board meeting. She stated that her staff remains focused on the challenges facing chemistry and our nation. Ms. Jacobs noted that it is important that we focus on issues where we can make an impact. She announced that the annual report, now available in print copy and to be released soon on the web, focuses on Society members, with their personal commentaries on the value of ACS membership.

Treasurer Brian A. Bernstein reported that from a budgetary standpoint, the Society is off to a slower start in 2007 vs. 2006. He noted that while the year to date net from operations is tracking close to the 2007 phased budget (\$3M actual vs. \$3.4M phased) the Society is running behind last year's pace. Mr. Bernstein stated that the first quarter returns for each of the three funds (ACS Petroleum Research Fund, Investment Pool, and the Retirement Fund) were around +2.0%. He added that the positive returns are largely attributable to continued favorable performance from international stock with both developed and emerging markets outpacing domestic equities.

Mr. Bernstein described the impact of positive returns on ACS assets by mentioning two significant milestones reached in May. He reported that the market value of the Petroleum Research Fund passed the \$600 million threshold for the first time; and the combined market value of the

Society's investments now exceed \$1.5 billion. Mr. Bernstein reported that the Committee on Pensions and Investments (P&I) received reports on the 2006 audits for the ACS Pension Plan and the Employee Savings Plan, and that both plans received unqualified audit opinions from PricewaterhouseCoopers. He added that the committee received a detailed briefing on the implications of FAS 158 (accounting for Defined Benefit Pension and Other Postretirement Plans), and that the new accounting standard becomes effective for ACS on December 31, 2007.

NEW BUSINESS

Resolutions

2. The Board of Directors adopted the following resolution in honor of Robert D. Bovenschulte's imminent retirement:

BE IT RESOLVED That the Board of Directors of the American Chemical Society expresses to Robert D. Bovenschulte its sincere and deep appreciation for 10 outstanding years of service (1997-2007) rendered as President of the ACS Publications Division. The Board is especially grateful for Bob's superb foresight and leadership that has helped the Society move its publications from print-centric to web-centric; launch a variety of new, innovative journals at the interface of chemistry and other disciplines; ensure that C&EN is the leading news magazine of the chemistry enterprise; enhance the standing of ACS as the premier publisher of peer-review journals in chemistry; increase the division's revenues by 47%, and substantially increase the division's net contribution by an outstanding 104% . The Board members will miss his warm sense of humor and congenial spirit, and collectively offer Bob and his wife Dianne their very best wishes for a happy, healthy, and equally rewarding retirement in California or wherever their travels take them.

Board Information Exchange

Dr. Benham invited each board member to report activities or share information that would be of interest to colleagues and others.

There being no further business, the meeting was adjourned at 10:33 a.m.

Flint H. Lewis
Secretary