It’s time to decide ...

by Barbara A. Filas, Executive Committee Chair

Ladies,

As the 2016-2017 chair of the WAAIME Division of SME, I need your guidance. I have been a WAAIME member since 2009 and, during that time, the executive committee (and those who show up at the executive committee meetings) have tossed around a lot of ideas on what we can do with the WAAIME Division to attract and grow our membership. I think everyone agrees that in order to be a sustainable entity, we need to grow our ever declining membership. However, it seems that whenever we start moving in any one direction, we don’t seem to have widespread consensus; people seem more comfortable with the status quo, so we end up doing nothing. Three catch phrases come to mind.

• If it isn’t broken, don’t fix it!
• The definition of insanity is doing the same thing over and over again and expecting a different outcome.
• Just do it!

Many of you don’t know me. Compared to most of you, I am new to WAAIME, having only joined in 2009. I am a licensed professional mining engineer with more than 35 years in the industry. I have been a member of SME since 1975, joining when I was a student at the University of Arizona. I am passionate about the SME organization and served as SME’s first female president in 2005.

Because I was an SME member, it didn’t occur to me to join WAAIME. My mother, a nurse married to a mining engineer, was a WAAIME. But Iris Whinnen-Owen changed all that for me in February of 2008. After the banquet, when the merger of WAAIME into SME was celebrated, Iris came up to me, gave me a big hug and whispered “Don’t let the men take this over.” I told her I would do what I could to make sure that didn’t happen. And ever since, I have been coming to WAAIME Executive Committee meetings; I undertook the scholarship interviewing and recommendation program at the Colorado School of Mines and was elected to the WAAIME Executive Committee representing the Western region in 2013. I now chair the WAAIME Division of SME.

Change when change is needed

I am not a supporter of changing just for the sake of change, nor am I afraid of change. Rather, I am a staunch believer in change when change is needed. As an example, when I was SME President, I appointed a very high-level ad hoc committee to study how SME did its business and to advise on how we could improve SME governance to make it more efficient and effective. Within that year, the committee recommended that we completely change the SME governing structure. At the end of my year as President, we replaced the SME Executive Committee and 29-member board of directors with six strategic committees and a nine-member board of directors. That was an unprecedented and radical change in society governance, but that governing structure remains in place today and continues to be highly effective.

My first WAAIME Executive Committee meeting was in 2009. I asked several of my female SME member colleagues, from student members to 30-year members, to join me at that meeting to discuss what WAAIME might do to make it more attractive to the female members of SME. WAAIME needed to grow its membership, and about 20 percent of SME’s membership was female. To me, that is low-hanging fruit. The dialogue was interesting, but the message was that if WAAIME were to be attractive to the female SME member, WAAIME would need to make some changes.

Plans to increase membership

In 2012, the WAAIME Executive Committee did just that. It held a facilitated strategic planning session to help focus on a new direction for the division. At that meeting, participants agreed that the fundamental issue is the ability to attract new membership. The outcome of that strategic planning session was that the way to grow the WAAIME Division was to make ourselves the SME home for non-traditional stakeholders in the mining industry. Our membership initiatives would target the traditional spouses of SME members, the women of SME (but not exclusively for women), and those professionals and supporters of the mining industry who did not otherwise fall into one of the other SME technical divisions.

As the idea of growing the WAAIME Division into a more functional, value-added division of SME gained momentum, 2013 SME President Jessica Kogel (our second female president) interceded and appointed an ad hoc committee that had two objectives.

1. To look at whether or not SME needed another division for professionals and supporters of the industry who did not otherwise fall into one of the other SME technical divisions.
2. If the answer to the first task is no, then where did that committee think that WAAIME best fit within the SME organization.

Both Beth Price and I were members of that ad hoc committee. After a number of meetings, the ad hoc committee recommended that SME did not need another nontraditional division at this time and that WAAIME priorities and objectives appeared to best aligned with the...
SME Foundation. These were only the recommendations of the SME ad hoc committee — in no way did they bind WAAIME to make any changes.

Based on the ad hoc committee recommendation, WAAIME commenced discussions with the SME Foundation on how WAAIME could fit into that organization. But, as the discussions advanced, it became clear that at some of the WAAIME membership was not comfortable with giving up division status to become a standing committee of the SME Foundation. Consequently, the Executive Committee opted to continue with its division status.

**Plan of Merger vs. bylaws**

As an SME Division, WAAIME functions completely differently from all other SME divisions. All other divisions are governed by a set of bylaws that are fairly similar from division to division. The WAAIME Division functions under the Plan of Merger dated March 31, 2008, which was crafted to define the specific terms of agreement when WAAIME merged into SME. The Plan of Merger establishes the autonomy of WAAIME to manage and distribute its funds without interference from SME. However —

- It puts limitations on what WAAIME can spend its monies on — which limits flexibility.
- It does not allow for new local sections — which limits growth.
- It excludes WAAIME Division members from SME membership and SME dues.
- It includes provisions for enforcement of covenants in the event of a material breach of the Plan of Merger terms.

The Plan of Merger served its purpose to facilitate the WAAIME-SME merger, but eight years later it is clear that it does not have the flexibility needed to define division operations that will attract new membership on an ongoing basis. As such, SME and the WAAIME Executive Committee have embarked on a process of drafting bylaws for the WAAIME Division. These bylaws are similar to the bylaws of the other SME divisions and are aligned with SME’s guidelines for its divisions. They are currently in draft form. The draft bylaws define how WAAIME will function within the SME organization with regard to governance, financial controls, committees, sections, programs, and the like. It strives to carry forward all of the key elements isolating, protecting and managing the WAAIME funds autonomously within the WAAIME Division and eliminates those obsolete elements, such as no new sections, spending only on a few very specific programs and travel reimbursement amounts.

A very important difference between the WAAIME Division and all other SME divisions is the fact that WAAIME members are not SME members and pay no SME dues. Because of this, the WAAIME Division reimburses SME for the cost of administrative services that are provided by SME. WAAIME also requires that its investment portfolio be audited separately; an added cost over and above the SME annual audit costs. Other divisions are not charged for normal administrative fees; they are only charged for extraordinary efforts that are specifically requested and unique to the division. Unlike the WAAIME Division, no other division requires its scholarship funds to be audited separately. Other division scholarship funds are maintained in separate, restricted accounts that are managed autonomously by each respective division but are audited as an integrated part of the SME assets. Only the WAAIME Division requires and incurs extraordinary audit expenses.

**SME members — to be or not to be**

Another important issue associated with the ongoing bylaws discussion is whether or not WAAIME Division members should be members of SME in the future. In the eight years since the merger, the WAAIME Division continues to be viewed quite differently from the other divisions by SME. The current draft bylaws anticipate SME forming a new category of membership (at a discounted dues level) for nontraditional SME members such as WAAIME members. Elevating the WAAIME Division to dues-paying membership status may be the boost needed to offer an SME Division home for professionals and supporters of the mining industry who do not otherwise fall into one of the other SME technical divisions. And, in addition to ongoing scholarship programs, we would organize committees to recruit new members and contribute to the technical programs at the SME Annual Conference on topics such as education, outreach and professional development.

**Protective covenant clause**

The protective covenant clause in the Plan of Merger was intended to protect WAAIME assets throughout the merger process and allowed WAAIME legal recourse if SME did not meet its commitments under the plan. Some executive committee members believe that the protective covenant verbiage should be retained in the draft bylaws. It’s been eight years since merger and, to my knowledge, there has been no breach of covenants by SME.

The WAAIME Division of SME is SME but, under the Plan of Merger, we are not SME members. I’m no lawyer, but I think it would be highly unlikely that any court would allow WAAIME to sue SME for noncompliance under the merger terms this late in the game — especially since WAAIME as a corporation has been dissolved and we are now a division of individuals who are not members of SME. Bottom line is that the WAAIME funds belong to SME now; we did that in 2008. To have a nonmember, unaffiliated group of individuals try to take back the WAAIME portfolio from SME today or in the future is, in my opinion, highly unlikely. I also believe it is highly unlikely that the SME Structure and Governance Strategic Committee and/or the SME Board of Directors would allow protective covenant language in WAAIME bylaws. It simply doesn’t make sense to sanction a division of an organization to be able to sue its own organization.

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Annual Meeting Report

Report on the 2016 WAAIME Annual Meeting

by Barbara A. Filas, Executive Committee Chair

Following is a summary of the happenings at the WAAIME Division Annual Meeting, held in Phoenix, AZ the week of Feb. 21, 2016.

Financial performance

Mike Hedges (SME Director of Finance) presented the financial report from the previous fiscal year that ended Sept. 30, 2015, as well as the financial report from the last quarter of 2015 in the current fiscal year. Highlights from the 2014-2015 financials included administrative expenses, which totaled $49,717 for personnel costs, phone, postage, meeting expenses, fees and audit as well as Executive Committee expenses.

Highlights from the 2015-2016 report show that we have approximately $11,600 in revenue outstanding from our old student-loan program. WAAIME expenses for the fourth quarter of 2015 were approximately $4,000, all for personnel expenses. Hedges reported that audit expenses, normally $5,200, will be reduced by $1,900 from now on due to a recommendation from SME’s tax advisors that WAAIME no longer file a separate tax form but be incorporated into SME’s. No other major changes or expenses are on the horizon.

Neither the auditors nor the finance department at SME are aware of the donor requirements of the various WAAIME funds, nor have the funds had deductions apportioned from them, as was done by the WAAIME accountant premerger. Jean Davin, outgoing chair of the WAAIME Executive Committee, will supply Hedges with a list of all the WAAIME individual fund accounts, as supplied to her over the years, so that an update of individual fund balances can be made.

UBS representatives Tom Austin, Fred Alessandro and Ryan Smith distributed handouts and gave a general overview of UBS’ view of market conditions. The market has turned down significantly since midyear 2015 with high volatility and low returns. High-speed trading, declining oil prices, China’s slowing economic growth and devaluation of the Yuan seem to be the major factors. Basic materials and commodities have been very hard hit. UBS does not expect a recession this year, but volatility in the market will continue, with some expectations of global growth later in the year. UBS predicts that the federal government will raise interest rates once or twice this year.

As of Feb. 12, 2016, the WAAIME portfolio totaled $7,564,909, a significant decline. The individual fund managers as well as the bond holdings were reviewed by UBS, resulting in a recommendation to sell one fund and replace it with four others. UBS recommended the following changes to the WAAIME portfolio:

• Sell the Riverbridge All Cap fund, a total of $1,162,184.

The WAAIME Founders Award was presented to Veronica Yovane Brahm at the 2016 SME Annual Conference “for her dedication and participation on the WAAIME national board and the WAAIME Executive Committee and for her hard work in starting, not one, but two WAAIME sections in Chile, with the necessary legal coordination with Chilean law along with the paperwork required and for helping these sections remain viable WAAIME sections.

Brahm joined WAAIME in 2001 when she was invited to participate in the meeting that inaugurated the Santiago Section in Santiago, Chile. Most of the ladies at the meeting were old friends and acquaintances from the time we lived with our families at the Chuquicamata copper mine. The creation of the Chile Santiago Section was an opportunity to reunite old friends who were dedicated to the goals and objectives of WAAIME. With financial support from WAAIME and funds obtained from activities done locally, 26 mining engineers and geologists are now professionals at national and international mining companies, and five students are receiving scholarships this year.

In 2007, another section was created in La Serena Chile. Since its creation, 12 scholarships have been awarded and nine of those students are already professional mining engineers. Three others graduated in December.

Brahm obtained a degree in political science. After some years working for the Chilean Trade Commission in Montreal and New York, she joined the United Nations Development Program (UNDP). Its focus was to oversee work on development planning, economic recovery, sustainable growth, environment and natural resources directions in communities located in remote areas of Northern Chile and its vicinity. The objectives had a common denominator with one of the purposes and goals of WAAIME: to render service to the country and to the community.

Brahm cherishes the years when she served as chair of the Chile-Santiago Section, as the International Sections Representative and as a member of the WAAIME Executive Committee. Since retirement, she lives on a small island in the southern part of Chile and has spent much of her time sailing.
• Purchase Loomis Large Cap growth fund, a total of $371,899.
• Purchase Invesco International growth fund, a total of $92,975.
• Purchase Atlanta SMID Cap growth fund, a total of $534,605.
• Purchase Edge SMID Cap value fund, a total of $162,706.

The Executive Committee moved, seconded and approved the above recommendations. Davin questioned the UBS representatives about the Atlanta SMID current fund value. Quoting the minutes from the midyear meeting in September, Davin stated that UBS representatives requested and were given permission by the Executive Committee to purchase $250,000 of the newly re-opened Atlanta SMID fund. However, the Atlanta fund value in the WAAIME portfolio on Jan. 31, 2016 is listed in the UBS materials as $342,242. Davin wanted to know where the extra $100,000 came from in that fund. Neither Alessandro nor Ryan had an answer to this question. They promised to research this and inform the Executive Committee who gave permission for this $100,000 purchase.

Scholarship program

The WAAIME received 136 acceptable applications for WAAIME scholarships for the academic year 2016-2017. The Executive Committee approved $187,250 in scholarships. In addition, $60,000 was directed to the international sections for distribution to the international students. A number of student applications were rejected due to the student graduating prior to the 2016-2017 academic year or because they had already received three scholarships from WAAIME. In the future, students who report income of at least $2,000 greater than their stated expenses will also be rejected.

Administration of the scholarship program was different this year. The WAAIME Executive Committee had appointed a Scholarship Committee to take all the recommendations for scholarships that came in from the individual scholarship-application reviewers and to recommend scholarship amounts based on those reviews. The Executive Committee gave the Scholarship Committee a target budget for this year’s scholarships, and the Scholarship Committee divided up the funds to be given to the students based on reviewer recommendations. This took the Executive Committee out of the scholarship allocation process and relegated it to a review and approval position. There are still some challenges to using SME’s web-based scholarship review program, and the Scholarship Committee is working with SME to help streamline the process.

100-Year anniversary celebration

Next year marks the 100th anniversary of the formation of WAAIME. During those 100 years, WAAIME has worked closely with schools around the world to provide annual scholarships. To help commemorate and support this centennial celebration, SME and the WAAIME Division have asked the universities that hold alumni functions at SME’s Annual Conference to hold those receptions in conjunction with the WAAIME celebration at the 2017 SME Annual Conference in Denver, CO. The universities were asked to locate their alumni functions with WAAIME and all of the other universities at the SME headquarters hotel. They were also asked to commit the normal amount budgeted for their alumni functions to help offset the cost of the 100-year celebration.

The celebration will be held in a large ballroom at the SME headquarters hotel, the Hyatt Regency, where the WAAIME Division will occupy the center area from which food and drinks will be served. This will give all university alumni an opportunity to commingle. Around the periphery of the WAAIME center area, zones will be identified so that each university has a designated area for meeting with its own alumni. One of the advantages to this arrangement is that individuals who are alumni of more than one university can easily socialize with both groups. The celebration will be held on Tuesday evening, Feb. 21, 2017, from 5 to 7 pm, which is about the time that most of the alumni functions have always been scheduled at the SME Annual Conference.

Call for sponsors

WAAIME is currently looking for other sponsors, besides the universities, to help offset the cost of the celebration. Sponsorships will be solicited at the Diamond level (five sponsors at $10,000 each), Gold level (five sponsors at $5,000 each) and Silver level (10 sponsors at $2,500 each). Sponsors will be featured in ads in the magazine plus banners at the event and other sites where appropriate. Any excess funds raised would be contributed into the scholarship fund.

WAAIME Café

SME has created a WAAIME Café on the SME community website. Any WAAIME member or interested SME member is welcome to join the Café, where they can discuss things, save things in the resource library and have links to photos on Flickr. If you are interested in joining the WAAIME Café, please notify Genny Homyack. She will have an email sent to you on how to access the site and use it.

Division reorganization

The WAAIME Division currently functions under the Plan of Merger dated March 31, 2008, which was crafted to define the specific terms of agreement when WAAIME merged into SME. The Plan of Merger establishes the autonomy of WAAIME to manage and distribute its funds without interference from SME. However, it puts limitations on certain WAAIME programs that now appear to be obsolete. Such limitations include what WAAIME can spend its monies on (which limits flexibility) and it does not allow for new local sections (which limits growth). The Executive Committee is currently considering a set of draft by-
WAAIME receives SME Presidential Citation

At the SME Annual Conference & Expo in Phoenix, AZ, Feb. 24, 2016, WAAIME received a Presidential Citation from Steven Gardner, the president of SME. The SME citation recognized “all the members of the Women’s Auxiliary of the American Institute of Mining Metallurgy and Petroleum Engineers (WAAIME) and offered its sincere appreciation for their efforts in promoting education and scholarships for mining professionals worldwide.”

The citation appeared in the January 2016 issue of Mining Engineering magazine, p. 57, along with a brief synopsis of the history and purpose of WAAIME.

Chile-Santiago inaugurates its 2016 section activities

By Myriam Mardones, Section Secretary

The Chile-Santiago Section of WAAIME began its 2016 year of activities on March 19 with a luncheon at Manquehue’s Club. They were joined by many of the scholarship students supported by the section and some of the husbands of section members. Honored guests included members of the Instituto de Ingenieros de Minas de Chile Santiago Jorquera, husband of Irene Torres, and Lincoyán Hernández, husband of Ana Maria Samur.

WAAIME News

Local Section News

Necrology

date joined | name, city and section
---|---
1968 | Shirley Asher, Reno, NV
1961 | Elinor Doolin, Sandy, UT
EXECUTIVE COMMITTEE REPORT

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Call for membership input
So, from my perspective, we have come full circle since I became involved with WAAIME. We started out being a scholarship program with local sections and a declining membership. We’ve done a lot of talking about how to grow the WAAIME Division beyond that to attract new members and to add value to WAAIME members and to SME as a whole. But each time it came to actually making a change, we have pulled back to where, eight years later, we are still a scholarship program with local sections and a declining membership.

If you feel that “it isn’t broken,” then we should not fix it. But if we don’t have members in the future to keep it going, the “men” (meaning SME, whose membership is about 20 percent female) will indeed take this over. If we need to do something different to attract new members, then doing the same thing over and over again and expecting a different outcome is not the answer. If we agree to make changes, to implement some of those great ideas that have come out of strategic planning efforts and past discussions or some new ones that may come up through further dialogue, then we absolutely must get past our reluctance to make a decision on change and “Just do it!”

I welcome your thoughts and advice. Are we good with continuing to do what we have done or should we make changes. From strategic planning to moving into a SME Foundation program to drafting new bylaws for a stronger WAAIME Division — these are all things we have considered in the short time I’ve been a WAAIME member. Yet, in the eight years WAAIME has been a division of SME, it has made no changes at all. This is your organization; your opinions are extremely important and very welcome.

ANNUAL MEETING

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laws for the division that are more aligned with other SME division bylaws and will give the WAAIME Division more leadership continuity, operating flexibility and a broader scope intended to help attract new membership.

The draft bylaws currently require new WAAIME Division members to become members of SME. There was a discussion at the WAAIME Annual Meeting, and concerns were raised about the cost of membership. It was noted that in order to require membership in SME to be a member of WAAIME, it would be necessary for SME to create a special membership category, which would be at a reduced cost and benefit level (e.g. WAAIME members would not receive monthly copies of Mining Engineering magazine). This category would allow individuals who have a nontraditional SME focus to be SME members, even though they may not meet the traditional SME membership requirements. The draft bylaws allow individuals who are WAAIME members prior to the approval of the new bylaws to be “grandfathered” for WAAIME membership only; new members would be required to join SME.

WAAIME would not receive any of the SME membership dues. Like the other SME divisions, these fees would roll into the general SME budget. It was suggested that an SME membership fee of around $25 might be reasonable for this membership category.

Leadership changes
Changes in WAAIME leadership over the past several years suggests a need to create a system that encourages a better continuity of WAAIME leadership. The Executive Committee, under the draft bylaws, would be comprised of four individuals instead of the current three, thus extending the officer commitment from three to four years. The current draft bylaws have eliminated the international representative position on the Executive Committee because some past international representatives have been reluctant to chair the division. The international sections would instead be represented by the International Committee, a standing committee of the division. Nothing would preclude an international representative from being on the Executive Committee or chairing the division if that representative were nominated and accepted the position. The draft bylaws also allow WAAIME a standing position on the SME Strategic Finance Committee.

Protective covenant
There is a protective covenant clause in the Plan of Merger that was intended to protect the WAAIME assets throughout the merger and allowed WAAIME legal recourse if SME did not meet its commitments under the plan. Although there is support for retaining the protective covenant verbiage in the draft bylaws, it may be very difficult to get the bylaws approved by the SME Structure and Governance Strategic Committee and/or the SME Board of Directors, both of which must sign off on any new bylaws for the WAAIME Division. It is worth noting that since the merger in 2008, the chair is not aware of any breach of the Plan of Merger agreement by SME, and the draft bylaws retain all the financial autonomy as was required by the Plan of Merger.

The Plan of Merger served its purpose to facilitate the WAAIME-SME merger. But eight years later, it does not have the flexibility needed to define division operations on an ongoing basis or to allow the division to attract new membership. The Executive Committee tabled the draft bylaws at the Annual Meeting but will be revisiting the subject at the midyear meeting. Chair Filas asks WAAIME members for their input and advice on this issue (see page 1).
The Reno Section’s dedicated scholarship chair, D.D. LaPointe, was honored at the SME Annual Conference & Expo in Phoenix, AZ in February when she received the Minerals Education Coalition Partnership Award. This was a well-deserved recognition for her many years promoting not only scholarships, but also teacher education workshops and geology fieldtrips.

Long time Reno member, Fran Flint moved to Baton Rouge, LA after the death of her husband Del. Her new address is 4101 Plaza Tower Dr. #226, Baton Rouge, LA 70816. She would enjoy hearing from WAAIME friends.

On a sad note, Shirley Asher died in November 2015. She had been a hard-working member of our group for many years and will be sorely missed.

The Reno Section’s February meeting was held at the home of Dale Herkal, our newest member. With Nevada being the Silver State, members brought silver items for Show & Tell.

In March, the section met at the home of Irene Duyvesteyn. She entertained us with stories of growing up in the Netherlands and living in mining camps in Africa and Brazil with her husband, Willem.

Rebecca Pennell hosted the April meeting. Section President Beth Price is also chair of the WAAIME 100th Anniversary Celebration in February 2017 in Denver, CO.

She asked for ideas and also for help in contacting former WAAIME Scholarship recipients for input. Rebecca Pennell and Maureen Rovig presented a short musical program on two pianos.

Beth Price and her husband, Jonathan, have had a busy and exciting year of travel, as he is currently president of the Geological Society of America. In April, they will represent the United States at the European Geoscience Union meeting in Vienna, Austria.

Daphne D. LaPointe

The MEC Partnership Appreciation Award is presented to Daphne D. LaPointe “in recognition of dedication to the students and teachers of Nevada in motivation and education in the earth sciences and the study of geology.”

Daphne (D.D.) LaPointe received her bachelors degree from Smith College and a masters degree from the University of Montana, both in geology. She first worked in minerals exploration for Exxon Minerals in Idaho and Montana. She has lived in Reno, NV since 1979, where she worked in geology for the Nevada Bureau of Mines and Geology (NBMG) for 32 years. She was always involved in coordinating education and outreach activities in minerals and mining with local schools, teachers, students and the public. After retirement in 2013, she has continued to volunteer in geological education and scholarship activities associated with the Geological Society of Nevada, the Nevada Mining Association and WAAIME. Specific projects she initiated include a field trip grant program funded by the Geological Society of Nevada Foundation to help Nevada K-12 teachers take students on earth-science and mining-related field trips and a field camp grant program to help University of Nevada Reno geology students with costs of required summer field camp. She also helped initiate a series of annual public Earth Science Week field trips at NBMG. (from Mining Engineering magazine, p. 57, January 2016.)