OVERALL, THE YEAR 2007-08 was quite good in most respects, and the investments in trust reached record valuations. Excellent support by alumni through their volunteer efforts, record-setting generous contributions, and bequests was impressive, while corporate and university financial support for the Convention and THE BENT remained high. **TBPConnect**, a growing online member-only community of 2,200 Tau Bates, was established. Record stipend totals were given to both Fellows and Scholars. The Financial Development Committee hosted receptions for alumni in four cities. MindSET, the TBI National K-12 Math & Science Initiative, provided training to 82 teachers in South Dakota.

CHAPTERS
The 2007 Convention granted charters to Miami University and the University of California, Santa Cruz, formally established as the Ohio Xi Chapter on February 23, 2008, and the California Alpha Delta Chapter on March 8, 2008. Accounts of the installations were published in THE BENT. Two petitions for new chapters were received. Inspection teams will visit the local engineering honor societies at Western Kentucky University and Boise State University in the fall, and petitions from the schools could be considered by the 2009 Convention. Tau Beta Pi has chartered 59 alumnus chapters; 18 are active.

New York Nu celebrated its 40th anniversary in the fall. The Annual Chapter Survey was conducted in the spring. A total of 219 chapters (vs. 216 in 2007) completed surveys, which listed approximately 1,450 projects. A report on the contents of the survey has been published in the September 2008 issue of THE BULLETIN.

MEMBERSHIP
The chapters initiated 7,864 members in 2007-08, up 3% and the highest total in four years. This included 7,458 undergraduates, 274 graduate students, 80 alumni, and 52 eminent engineers. Tau Beta Pi’s initiated membership on July 31, 2008, was 500,876, and an estimated 53,000 are deceased.

During the year, about 29,600 engineering students in the 234 Tau Beta Pi chapter schools were scholastically eligible for membership in the top one-fifth of their senior or the top eighth of their junior classes. About 39.3% of these were members of Tau Beta Pi at the close of the year, down from the previous year’s 41.6%. About 2.7% were not initiated, chiefly because of their chapters’ failure to hold spring ceremonies. The remaining 58% indicated a lack of interest in membership, up from 54% last year.

Tau Beta Pi chapter schools graduate about 91% of all B.S. engineers at 367 schools with ABET EAC-accredited programs and the other 16 schools without an EAC-accredited program. Nineteen chapters held only one election and initiation of new members, and all others held two or more. Four chapters held initiations without approval, and two chapters were removed from probation. One member resigned during the year, and none was expelled.

CONVENTION
The 102nd Convention of Tau Beta Pi was held in October 2007 in Dearborn, MI, with Michigan Iota as host. The meeting was fully reported in THE BENT and THE BULLETIN. The 2008 Convention will be hosted by California Lambda and Upsilon in Sacramento. New Jersey Beta will host the 2009 meeting in New Brunswick.

The 2007 Convention: approved one amendment to the Constitution and Bylaws of the Association, which was ratified by the chapters, to clarify the proof of eligibility of graduate students; decided to use the standard reimbursement schedule for the 2008 Convention; accepted three appealed programs not accredited by ABET/EAC, but denied two; accepted the invitation from Pennsylvania Alpha to host the 2010 Convention near Philadelphia; heard the vision and implementation plans for the National K-12 Math & Science Initiative; recommended that the 2008 Convention study the elimination of one word in the Ritual; made recommendations on various materials, seminars, and communications to improve the skills and knowledge of Chapter Advisors; and raised the Convention Assessment from $5 to $7, effective August 1, 2008.

OFFICIALS

Tau Beta Pi has three appointed Directors with responsibilities in major areas of its interest: D.S. Pierre Jr., P.E., serves as Director of Fellowships, E.J. D’Avignon as Director of Rituals, and Dr. A.M. Brenner* as Director of Engineering Futures. Members of the Fellowship Board include L.J. Holland er, P.E., Dr. S.L.R. Holl**, and Dr. V.A. Marsocci, P.E. The Trust Advisory Committee, which directs investment activities of the corporate trustee, includes R.F. Smith (chair; 25 years service), H.W. Lange, and J.W. Johnson Jr. (*service anniversary of 5/2 years, **service anniversary of 6/2 years)
District Directors on July 31, were:

**District 1**
Lynn B. Farrington
Selden J. Houghton*
Matthew V. Paragano
Lauren J. Swett

**District 2**
Thomas A. Pinkham IV***
Andrea J. Pinkus
Daniel G. Rice
Jason Ragan

**District 3**
Dr. Edward P. Gorzkowski*
Michael D. Malmstrom
A.J. Rovnan

**District 4**
J.P. Blackford
Russell L. Werneth

**District 5**
Curt G. Campbell
Rebecca A. Holcomb
Dr. Elizabeth A. Stephan**

**District 6**
Christy M. Bogard
Dee Anne T. Stirm
Ellen D. Styles

**District 7**
Abdou A. Ayoub
Andrew J. Flowerday
Curtis D. Gomulinski*

**District 8**
Stacey L. Forkner
Joseph G. Macro
Dr. Matthew W. Ohland

**District 9**
Dr. Charles W. Caldwell
Robert C. Huck
Brenda A. Kramer*

**District 10**
Jeremy N. Comardelle
Daniel A. Kamat
J. Mark Landrum, P.E.

**District 11**
Dr. James C. Hill
Sherry D. Jennings-King

**District 12**
Wade A. Hull
Lindy M. Johnson, P.E.
Tricia E. Schwaller

**District 13**
Jeffrey G. Dabling*
Dr. Richard W. Mead

**District 14**
Malena I. Foster
Jeffrey A. Hester

**District 15**
Joseph R. Burnett
Scott E. Fable*
Patrick D. Homen

**District 16**
Jason A. Corl
Scott V. Eckersall*
Stacey H. Ross

(*/*** service anniversary of 6/12/18 years)

The International Headquarters staff, which is located on the Knoxville campus of the University of Tennessee, includes Executive Director J.D. Proula, P.E., Assistant Secretary-Treasurer R.E. Hawks, Director of Communications & Development P.B. McDaniel, and eight additional employees (see tbp.org).

**DISTRICT PROGRAM**
Each District held at least one conference last year and conducted meetings during the 2007 Convention, and Directors visited many chapters during the year: The Directors and the Council met in Charleston, SC, in June 2008 and discussed means for improving regional activities and communications and for helping the collegiate chapters.

---

**MISSION**
To mark in a fitting manner those who have conferred honor upon their Alma Mater by distinguished scholarship and exemplary character as students in engineering, or by their attainments as alumni in the field of engineering.

**VISION**
Tau Beta Pi will be universally recognized as the premier honor society.

---

**ENGINEERING FUTURES**
The Tau Beta Pi Engineering Futures Program presented a total of 175 training sessions by 34 volunteer facilitators to develop the leadership skills of student members during 2007-08. This program helps to prepare engineering students for their careers by enhancing their overall personal effectiveness through interpersonal-skills and teamwork-development seminars.

**FELLOWSHIPS**
The website carries reports by Tau Beta Pi's 74th fellowship group of 36 students, 14 with stipend, who were selected in the spring of 2007. The 75th group, comprising 35 students—26 with stipend, will do graduate work in 2008-09, and was announced in the Summer 2008 BENT. Fellows with stipends are paid cash grants of $10,000 each. Twelve James Fife Fellowships, sponsored by an irrevocable trust bequeathed by William Fife, CA A '21, were given.

**AWARDS**
Tau Beta Pi's top chapter prize, the R.C. Matthews Outstanding Chapter Award, was given to California Psi for the excellence of its total program in 2006-07. No honorable mention was awarded by the Convention. The R.H. Nagel Most Improved Chapter Award went to New York Tau; there was no honorable mention.

The Council made no Chapter Project Grant under the Greater Interest in Government Program. The Headquarters staff gave 50 Secretary's Commendations to chapters for the perfection of their reports to the Headquarters office in 2006-07 and 31 Chapter Project Awards for ingenuity and creativity in activities.

The Distinguished Alumnus Award, established by the 1993 Convention and renamed in 1999, will be presented at the 2008 Convention.

The 2008 National Outstanding Advisor was selected in May by a national committee of engineering deans: Drs. D. Grasso, P.E. (chair), L.F. Brown, and J.J. Helleb. The recipient of a $1,000 cash award and an equal sum to be presented to his dean's discretionary fund is Dr. Richard B. Hayter, P.E., SD 'B '65, Kansas Gamma Advisor.

The 2008 Tau Beta Pi-McDonald Mentor was selected in June by a committee of three District Directors. The recipient of a $1,000 cash award with an equal sum to be presented to the Wisconsin Alpha Chapter is Dr. Steven M. Cramer, P.E., WI A '79.

During the year, the Executive Council gave 23 Resolutions of Appreciation, six Superior Service Awards, and three Distinguished Service Awards to collegiate chapter advisors and national officials for long and outstanding service.

**LAUREATES**
A selection committee of three District Directors chose five Laureates from 15 nominees. [See page 24.]

**SCHOLARSHIPS/GRANTS**
The tenth group of 145 Tau Beta Pi Scholars, who will complete their undergraduate engineering studies in 2008-09, was announced in the Summer BENT. Each Scholar receives a cash grant of $2,000. Since the program began in 1999, Tau Beta Pi has given and committed $1,248,000 to 624 seniors. The one-time R.H. Fogleseong Distinguished Alumnus and the inaugural R.A. Curtis, OH A '41; A.P. Heymann Sr., FL A '29; S.R. Schwaller, SD A '95, and GEICO Scholarships were awarded.

In the Tau Beta Pi Chapter Performance Scholarship Program, $8,500 was made available to students to be selected by 17 chapters.

Six $1,000 grants for the first year of college study in 2008-09 for incoming freshman engineering students were provided by the Society (for a 10-year total of 65) through the national program conducted by the Society of Automotive Engineers. No Special Assistance Grant was made.
CONTRIBUTIONS FROM ALUMNI

Tau Beta Pi’s 2007 Annual Giving Campaign brought record gifts of $874,566 (up 5.6%) from 13,482 donors (down 2%), including 694 new donors (up 38%). Their names were published in the Winter and Spring 2008 issues of THE BENT. Included in the total is $24,700 allocated to the Fellowship and Scholarship Programs from 213 companies that match gifts from employees. Also included is $48,335 from seven IRA charitable rollover gifts. The 2008 Giving Program began in February, and the response by July 31 reached $583,000 from 8,898 loyal members.

The Society uses minimal professional assistance in the conduct of this extremely efficient program; the national officers are deeply grateful to the generous alumni whose gifts fund important programs that help our chapters and student members.

President Simonson visited the spring with alumni at receptions in Phoenix, AZ; Arlington, VA; Manhattan Beach, CA; and Palo Alto, CA.

OTHER ACTIVITIES

Tau Beta Pi has maintained its affiliations with the American Association for the Advancement of Science and the Association of College Honor Societies and its association membership in the American Society for Engineering Education. The Executive Director is Tau Beta Pi’s official representative to these organizations, although other officers of the Association occasionally attend their meetings.

The Society was included as an eligible organization on the 2008 Combined Federal Campaign national list. Tau Beta Pi operates its own web-based job board—The Best People—and made extensive improvements in adding other valuable benefits to members. The Alum-Net Program, an electronic mentoring service to foster student-alumnus interactions, has operated effectively since 2001 under Dr. Amy K. Forbes, Administrator. The Association was a contributing society to National Engineers Week 2008.

Tau Beta Pi has maintained its classification under Section 501(c)(3) of the U.S. Internal Revenue Code as a tax-exempt, charitable and educational, non-private organization and is exempt from sales tax in 14 states. Collegiate chapters are separately classified under Section 501(c)(7) of the code, but this may change for a few chapters.

THE FINANCIAL CONDITION of Tau Beta Pi at the close of the fiscal year was strong. Earnings grew, but record trust market capital losses were charged. Excess of revenue over expense was $2,391,000. Assets increased in 2007-08 by $2,568,000 to a total of $21,634,000.

FINANCIAL POSITION STATEMENT

The several named trust funds are commingled and invested under the jurisdiction of the Tau Beta Pi Trust Advisory Committee. The trustee is the trust department of the National City Bank in Toledo, OH. The trustee performed satisfactorily during the year, but the status of the trust at the end of the year was hampered by record capital losses.

Investment earnings of the funds, less trustee fees and including capital gains, are used for the purposes indicated by the fund titles: paying fellowship and scholarship stipends, paying for BENT magazine delivery to life subscribers, paying project grants to winners in the Greater Interest in Government Program, helping to support the Convention, and financing many useful activities of the collegiate chapters. Overall net earnings of the trust funds, including security sales and market losses, were -3.3%; the previous year’s figure is 16.4%. Paid earnings were $2,567,000; net losses were $3,163,000.

Securities held by the trustee on July 31, 2008, are carried at market value of $20,415,385, an increase of 13.6% above $2,391,000. Assets increased in 2007-08 by $2,391,000 because of trust gains, are used for the purposes indicated by the fund titles: paying fellowship and scholarship stipends, paying for BENT magazine delivery to life subscribers, paying project grants to winners in the Greater Interest in Government Program, helping to support the Convention, and financing many useful activities of the collegiate chapters. Overall net earnings of the trust funds, including security sales and market losses, were -3.3%; the previous year’s figure is 16.4%. Paid earnings were $2,567,000; net losses were $3,163,000.

THE TREASURER’S REPORT

Send The Bent to Me

(Detach and mail to: Tau Beta Pi, P.O. Box 2697, Knoxville, TN 37901-2697. Allow four-to-six weeks for subscription to take effect.)

☐ I enclose $60, for which I shall expect to receive THE BENT for life. I will keep you informed of any change of address.

☐ I enclose $12.50 as the first payment for a BENT Life Subscription. Remind me to send $12.50 each year for the next four years.

☐ I enclose $10, which will keep me on the mailing list of THE BENT for one year. I should appreciate an expiration notice a year from now, so that I may renew without missing any issues. (Note that you may call 865/546-4578 to pay by credit card.)

Name ___________________________________________ Chapter ________ Class ______

Address __________________________________________

City ___________________________________________ State ________ Zip ______

FALL 2008 ♦ THE BENT OF TAU BETA PI 41
THE TAU BETA PI ASSOCIATION

STATEMENT OF FINANCIAL POSITION

On July 31, 2007 and 2008

ASSETS

<table>
<thead>
<tr>
<th>Current Assets</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$356,472</td>
<td>$272,516</td>
</tr>
<tr>
<td>Accounts receivable:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chapters</td>
<td>17,292</td>
<td>28,863</td>
</tr>
<tr>
<td>Student loans</td>
<td>38,260</td>
<td>40,685</td>
</tr>
<tr>
<td>BENT life subscription installments</td>
<td>12,846</td>
<td>12,582</td>
</tr>
<tr>
<td>Trust contributions</td>
<td>0</td>
<td>5,000</td>
</tr>
<tr>
<td>Other</td>
<td>19,378</td>
<td>7,140</td>
</tr>
<tr>
<td><strong>Total Receivables</strong></td>
<td>87,756</td>
<td>94,270</td>
</tr>
<tr>
<td>Inventory</td>
<td>20,734</td>
<td>27,434</td>
</tr>
<tr>
<td>Split-interest agreements, current portion</td>
<td>64,274</td>
<td>59,663</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>17,293</td>
<td>13,689</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>546,609</td>
<td>467,572</td>
</tr>
</tbody>
</table>

Depreciable: Furniture and equipment | 218,160 | 219,648 |
Less accumulated depreciation | -181,611 | -190,430 |
**Total Depreciable** | 36,549 | 29,218 |

Other Assets

Investments | 20,415,386 | 17,978,538 |
Split-interest agreement net of cur. portion | 636,111 | 590,483 |
**Total Investments** | $21,051,497 | $18,568,021 |

LIABILITIES AND NET ASSETS

<table>
<thead>
<tr>
<th>Current Liabilities</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chapters</td>
<td>$6,131</td>
<td>$6,131</td>
</tr>
<tr>
<td>Laureate awards</td>
<td>12,500</td>
<td>2,500</td>
</tr>
<tr>
<td>Fellowships/Scholarships</td>
<td>550,000</td>
<td>430,000</td>
</tr>
<tr>
<td>Other</td>
<td>11,447</td>
<td>22,697</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>35,826</td>
<td>31,781</td>
</tr>
<tr>
<td>Amortizable, current portion</td>
<td>13,137</td>
<td>-</td>
</tr>
<tr>
<td>Deferred Convention revenue</td>
<td>62,590</td>
<td>67,135</td>
</tr>
<tr>
<td>Deferred BENF revenue, current</td>
<td>55,802</td>
<td>56,205</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>747,435</td>
<td>619,440</td>
</tr>
</tbody>
</table>

Net Assets

Unrestricted: | 1,080,547 | 1,136,781 |
Designated | 7,500,283 | 8,170,342 |
Temporarily restricted | 5,714,552 | 6,217,467 |
Permanently restricted | 5,133,292 | 5,238,116 |
**TOTAL NET ASSETS** | 19,448,737 | 17,087,706 |

Total Assets | $21,634,655 | $19,065,811 |

Financial statements have been audited.

STATEMENT OF ACTIVITIES

Chapter and initiation fees (shown less THE BENT subscription portion) were unchanged.

Convention revenue consists of assessments for the 2007 Convention, $72,950 in industrial gifts, and $62,945 from 124 alternate delegates and visitors.

Overall contributions and bequests grew by $3,524,000. Total gifts from alumni and matching corporations in the two annual giving programs in 2007-08 amounted to a record $936,305 (up 15% from 2006-07). The Association is deeply grateful to the 12,980 members who contributed during the year.

BENT publication revenue rose by $22,000 aided by the second-highest total of recruitment advertising; expenses rose by $14,000. Total earnings and market losses on the invested Life Subscription Fund fell by $790,000. In 2007-08, the invested fund lost $0.55 per life copy delivered, compared with the previous year’s gain of $2.52. Cost per life copy exceeded earnings by $1.98, versus last years’ excess revenue of $1.14 per copy.

The total of interest and dividends in 2007-08 rose by $2,043,000. The net loss on investments was $3,163,000; changes in market value are reported as either gains or losses in investments.

The 10 major chapter programs (the first 10 under Expenses) usually show an operating loss. Convention expenses rose by $68,500 and include the cost of attendance by one student delegate from each collegiate chapter, alternate delegates, alumnius delegates, chapter advisors, and visitors—but not by national officers.

Expenses for fellowships and scholarships were $133,000 because more fellowship stipends were needed. (Revenue for fellowships includes all matching gifts from corporations and alumni contributions specifically earmarked by donors.) Since the Fellowship Program was inaugurated in 1929, Tau Beta Pi has given and committed $4,805,395 in contributions specifically earmarked by donors. Since the Fellowship Program was inaugurated in 1929, Tau Beta Pi has given and committed $4,805,395 in contributions specifically earmarked by donors. Since the Fellowship Program was inaugurated in 1929, Tau Beta Pi has given and committed $4,805,395 in contributions specifically earmarked by donors. Since the Fellowship Program was inaugura

STUDENT LOANS

Four new loans were made to members in 2007-08 for a total of $9,500. None was for the amount of Tau Beta Pi’s initiation fee. Three loans were repaid, and two were written off during the year, leaving 16 outstanding on July 31, 2008, with a principal balance of $38,620. Since inauguration in 1932 of the program, 1,771 loans have been made to student members for a total exceeding $836,000.

EDITOR’S REPORT

THE BENT

During 2007-08, the four issues contained a total of 232 pages, and 383,568 copies of the magazine were available for paid subscribers. This is a 0.3% decrease in paid copies below the previous year’s circulation total. Engineering and graduate-school recruitment advertising for the year totaled 21.7 pages, a 6% increase from the previous year. Total production cost of the magazine per paid copy was $1.42, up from $1.38 the preceding year.

New BENT life subscribers added during the year numbered 504 (up 1%) bringing total life subscriptions to 78,604. Of all the life subscribers enrolled since 1929, when the plan was instituted, 8,706 are deceased, and their estates totaling $251,653 have been trans-
The Tau Beta Pi Association

Statement of Activities

For the years ended July 31, 2007 and 2008

(With summarized financial information for the year ended July 31, 2007)

<table>
<thead>
<tr>
<th>REVENUE</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initiation and chapter fees and fines</td>
<td>$190,326</td>
<td></td>
<td></td>
<td>190,326</td>
<td>185,772</td>
</tr>
<tr>
<td>Chapter and individual sales</td>
<td>105,156</td>
<td></td>
<td></td>
<td>105,156</td>
<td>100,563</td>
</tr>
<tr>
<td>Contributions and bequests</td>
<td>1,199,049</td>
<td>45,728</td>
<td>3,570,000</td>
<td>4,814,777</td>
<td>1,291,046</td>
</tr>
<tr>
<td>Convention</td>
<td>174,302</td>
<td></td>
<td></td>
<td>174,302</td>
<td>149,523</td>
</tr>
<tr>
<td>The BENT publication</td>
<td>283,103</td>
<td></td>
<td></td>
<td>283,103</td>
<td>261,558</td>
</tr>
<tr>
<td>Net life subscription fee transfer</td>
<td>55,015</td>
<td></td>
<td></td>
<td>55,015</td>
<td>51,254</td>
</tr>
<tr>
<td>Student loan interest</td>
<td>1,310</td>
<td></td>
<td></td>
<td>1,310</td>
<td>343</td>
</tr>
<tr>
<td>Miscellaneous/Net gain on equipment sales</td>
<td>40,729</td>
<td></td>
<td></td>
<td>40,729</td>
<td>6,937</td>
</tr>
<tr>
<td>Interest and dividends</td>
<td>1,500,216</td>
<td>1,177,212</td>
<td></td>
<td>2,677,428</td>
<td>635,325</td>
</tr>
<tr>
<td>Net gain (loss) on investments</td>
<td>(1,848,522)</td>
<td>(1,314,987)</td>
<td></td>
<td>(3,163,509)</td>
<td>2,061,925</td>
</tr>
<tr>
<td>Change in value of split-interest agreements</td>
<td>50,239</td>
<td>50,239</td>
<td></td>
<td>22,524</td>
<td>22,524</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>410,868</td>
<td>(410,868)</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>TOTAL REVENUE</td>
<td>2,111,552</td>
<td>(502,915)</td>
<td>3,620,239</td>
<td>5,228,876</td>
<td>4,766,770</td>
</tr>
</tbody>
</table>

Expense:

Program services:

- Chapter and initiate supplies: 284,161
- Cost of chapter and individual sales: 98,595
- Convention: 419,170
- District Program: 257,230
- Engineering Futures Program: 146,081
- Greater Interest in Government Program: 4,396
- BULLETIN publication: 35,423
- Student Assistance Program: 1,749
- Laureate Program: 16,952
- Advisor Program: 15,389
- BENT publication: 546,869
- Fellowship & Scholarship Program: 621,144
- Alumnus Program: 21,117
- K-12 Math & Science Initiative: 11,398
- McDonald Mentor Program: 3,667
- Student Loan Program: 11,353

Total program services: 2,494,694

General and administrative: 118,004

Alumnus Giving Program: 225,147

TOTAL EXPENSE: 2,837,845

Change in Net Assets:

Net assets, beginning of year: 9,307,123

6,217,467

1,533,116

17,057,706

14,823,222

Net assets, end of year: $8,580,830

5,714,552

5,153,355

19,448,737

17,057,706

Financial statements have been audited.

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