Countdown to Annual
AIChe 2002 Annual Meeting November 3-8

With less than a month to go, the chemical engineering community is revving their engines for the 2002 AIChe Annual Meeting, the world's leading chemical engineering conference, November 3-8 in Indianapolis, Indiana.

Packed with over 400 technical sessions and six topical conferences, the 2002 Annual Meeting will explode with more research and technical information than ever before. The meeting will feature a strong bio program, with hundreds of sessions, lectures, and panel discussions on biomedical and molecular science.

What’s more, the event program is loaded with networking events for connecting with colleagues and forging new contacts. Participants can strengthen their business networks at the 2002 FallSHOWcase and a special entrepreneurial forum.

High-Performance Research
As always, the technical program will examine the latest research and innovations in both core and emerging areas of the chemical engineering industries. Topical conferences will drive further into the latest research, with related technical sessions, short courses, and social events.

Topical conferences include: Nanoscale Science and Engineering; Sustainable Engineering; Bioinformatics and Functional Genomics; Annual Meeting of the American Electrophoresis Society; Proteomics and High Throughput Technologies; and, new in 2002, Envisioning Biorefineries: Chemicals from Renewable Feedstocks; and Sensors.

Bio Thrust
Bio will be a driving force of the 2002 meeting, with the very latest in bio-related technologies and research, and leading experts in the field. The conference will feature three bio-related topical conferences, a Critical Issues Session, “Cloning & Genetic Engineering,” and Institute Lecture from bio authority Robert Langer, Massachusetts Institute of Technology (MIT), “Biomaterials in Drug Delivery and Tissue Engineering.”

Critical Issues Series
AIChe’s acclaimed Critical Issues Series (CIS), which premiered at the 2002 Spring National Conference, will investigate the scientific and societal impact of cloning and genetic engineering. A balanced panel of leaders in the field will discuss and debate the issues surrounding these topics, with active input from meeting participants. The Series will take place on November 3. Admission is complimentary with meeting registration.

The CIS panel will include Eric Meslin, director of the Indiana University Center for Bioethics. Meslin, who is also professor of Medicine, and of Medical and Molecular Genetics at the Indiana University School of Medicine and Professor of Philosophy in the School of Liberal Arts, served on the National Bioethics Advisory Commission (NBAC) in the late 1990s. At the NBAC, Meslin was responsible for advising the White House and the federal government on bioethics issues, including cloning, stem cell research, international clinical trials, and genetics studies.

Another leader in the bio field, Robert Langer, the Kenneth J. Germeshausen Professor of Chemical and Biomedical Engineering at MIT, will give the Institute Lecture: “Biomaterials in Drug Delivery and Tissue Engineering” on November 6. Langer is the only engineer to receive the Gairdner Foundation International Award, and is the recipient of the 2002 National Academy of Engineers Charles Stark Draper Prize, the world’s most prestigious engineering prize. Both Forbes and BioWorld magazines named Langer as one of the 25 most important individuals in biotechnology.

Networking Opportunities
Beyond programming, the FallSHOWcase, Career Fair, and a new entrepreneurial forum are three ways to boost professional contacts and expertise. Special receptions, including the Welcome Reception, and division and forum dinners, and plant tours offer participants a chance to unwind and reconnect with colleagues.

The Fall SHOWcase will feature high-performance exhibits from the leading vendors in chemical engineering. Software companies, lab equipment manufacturers, educational and technical publishers, R&D companies will display the latest innovations and research.

The Annual Career Fair is ideal for participants looking to shift their career into high gear. Packed with job postings, on-site interviews with employers, career related workshops and seminars, a mini-topical on entrepreneurship, and a special evening reception, the Career Fair targets both active job seekers and those who want to keep current with the market and job skills. On-site and “virtual” Career Fair participants are invited to submit their resume to the Career Fair Resume Database, accessible to participating employers.


Receptions and Tours
Participants can network and unwind at special social events, receptions, and tours. The Annual Meeting will start with a bang Sunday night at the Welcome Reception, open to all participants. Ticketed division and forum dinners throughout the week offer participants a chance to meet professionals in their field of interest. Technical tours for 2002 Annual Meeting include tours of Eli Lilly and Company Research Labs and the Dow AgroSciences R&D Center. A full guest program will explore Indianapolis sites and attractions.

With the most technical sessions ever, and an enhanced networking program, the 2002 Annual Meeting is a must for chemical engineers worldwide.

For online registration and more details, visit: http://www.aiche.org/conferences/annual or call 1-800-242-4363.
## AIChe Financial Statement, Year ended December 31, 2001

### Statement of Activities

#### Revenue:
- Dues and other membership revenue: $4,618,722
- Publications sales, subscriptions, and royalties: $3,344,760
- Industry technology alliances: $2,535,019
- Meetings and technical programming: $2,690,214
- Education services: $2,090,953
- Financial services: $696,247
- AIChe Foundation programs: $1,716,955
- Other revenue: $574,724
- **Total revenue and support**: $17,687,922

#### Expenses

**Program Related:**
- Membership: $2,281,599
- Publications: $4,023,889
- Industry technology alliances: $2,749,136
- Meetings and technical programming: $2,230,513
- Education services: $2,402,236
- Financial services: $234,068
- AIChe Foundation programs: $448,843
- Other program support: $2,402,236
- **Total program related**: $18,693,589

**Support Services:**
- General and administration: $3,026,721
- Fund-raising: $403,466
- **Total support services**: $3,430,187

**Total expenses**: $22,123,776

#### Loss on discontinuance of database: $1,202,613

#### (Decrease) increase in net assets: $(5,638,467)

**Net assets at beginning of year**: $14,685,194

**Net assets at end of year**: $9,046,727

### Balance Sheet

#### Assets:
- Cash & cash equivalents: $1,081,607
- Investments: $12,112,660
- Accounts receivable, less allowance for doubtful accounts of $267,000 in 2001 and $96,500 in 2000: $1,345,596
- Prepaid expenses and other assets: $398,121
- Contributions receivable: $1,060,676
- Fixed assets, net of accumulated depreciation: $2,958,616
- **Total assets**: $18,957,276

#### Liabilities & Net Assets

#### Liabilities:
- Accounts payable and accrued expenses: $2,063,147
- Deferred revenue – dues, subscriptions and other: $4,700,051
- Accrued employee vacation and other benefits: $341,709
- Accrued pension and other post-retirement benefit costs: $2,160,559
- **Total liabilities**: $9,910,549

#### Net Assets:
- Unrestricted: $7,090,460
- Temporarily restricted: $1,457,092
- Permanently restricted: $499,175
- **Total net assets**: $9,046,727

#### Total liabilities and net assets: $18,957,276

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The reduction in net assets is caused by the decision to explore alternatives to continuing to invest in the upgrade of the Institute’s in-house membership database, the cost of non-funded activities, continuing operating losses in publications, and educational services, partially offset by a surplus from meetings as well as negative investment returns.

A) The Institute decided to examine whether the goals of the membership database project could be achieved quicker and in a less costly manner than the internal project. As a result a $1,202,613 loss on the discontinuance of the project was recorded in 2001.

B) Non-funded program support of $4,323,305 includes:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tr>
<td>Governance of the institute, support for the chemical engineering profession and public and government outreach</td>
<td>$1,538,768</td>
</tr>
<tr>
<td>Venture and development projects</td>
<td>$1,733,629</td>
</tr>
<tr>
<td>Other costs deemed by board to be non-operating, principally cost of retiree medical benefits and certain depreciation and rent</td>
<td>$1,050,908</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$4,323,305</strong></td>
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C) The combined results from publications, meetings and educational services were a deficit of $530,711. This is an increased deficit of $364,032 compared to 2000.

D) Investment returns of ($579,672) were $423,912 lower than in 2000.

E) The financial presentation for 2001 has been modified in three significant ways from the prior year:

1. Membership dues, (of $ 1.1 million in 2001) which had previously been included in publications, are now reflected as revenue in Institute membership.
2. The 2000 presentation of AIChe activities was prepared on a fully allocated basis. The 2001 presentation allocates only support costs of $3.4 million. Institute Administration costs, which were $3 million in 2001, are no longer allocated and are reflected as a single line item on the Statement of Activities.
3. Revenues reflect income derived solely from members and nonmembers. In the prior year revenue also included internal allocations of permanent and foundation funds to various projects and subsidized activities.

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Here is a condensed version of the 2001 financial statement of the American Institute of Chemical Engineers. The full audited report was distributed to the Board of Directors in August, 2002. A copy of the audited report is available for inspection by members at the Controller’s office in New York.
Students Have Fun with Engineering at Local Section Event

The Central Savannah River Section introduced students to the wonders of science, engineering, and technology at an event August 17. Held at the Boy Scouts of America (BSA) offices in Augusta, Georgia, the event included experiments focusing on the practical applications of science, engineering, and technology in every-day life.

Students took a ride on a giant CD-ROM, a homemade hovercraft designed by Ray Tran, Westinghouse SRC, which used a consumer leaf blower as the motivator. Chet Gunter, DSM Chemicals, showed hungry eyes how chemical engineers make chocolate candy—with samples for all following. Kerri Cast, Westinghouse SRC, dazzled viewers with bright sights and loud sounds as she made three compounds from consumer items: carbon dioxide, iron sulfide, and hydrogen.

CCPS Develops Process Safety Database for Web

The Center for Chemical Process Safety’s (CCPS) Process Safety Incident Database project (PSID) has taken a major step forward with the introduction of a web based version.

The PSID database is used by participating companies to collect and share important incident information and experiences.

The database includes process safety incidents with a potentially important lesson to be learned— including incidents that could result in a fire, explosion, fatality, significant release of hazardous materials, or any other unique process safety incident as defined by the submitter, including near-misses.

The new Web version has all of the features of previous PC-based versions plus pre-programmed lists and tables, almost continuous update capabilities, simple access to multiple users, for easier use. Currently the web version is in its Beta stage and is being demonstrated to and tested by current PSID project sponsors.

Live demonstrations will soon be available to prospective sponsors and other groups interested in this new approach. Contact Marty Clancy at martc@aiche.org, or Adrian Sepeda at adrian_l@swbell.net for additional information or to schedule a demonstration.

AlChE Unveils New Security Course

Today, plant security is paramount and companies need highly effective engineers to manage their security. The latest course from AlChE, "Security Vulnerability Analysis," trains participants to address security threats, assess current security measures, and enhancements necessary to ensure safety from a terrorist event with the CCPS Security Vulnerability Analysis (SVA) method.

Based on the new CCPS guidelines book, Guidelines for Managing and Analyzing the Security Vulnerabilities of Fixed Chemical Sites (August, 2002), the course helps facilities evaluate the potential for a range of internally or externally committed intentional acts. The focus of the book and the course is on major events – particularly those events that may have the high-end consequence potential for the chemical industry. The SVA method is widely applicable to sites that handle and manufacture chemicals.

This course will examine security strategies and commonly used techniques. Participants will learn how to plan, prepare, and conduct a study, including: facility characterization, threat assessment, vulnerability analysis, and countermeasures. This course is ideal for companies interested in developing in-house SVA leadership skills, and is highly relevant for companies in chemical manufacturing, storage, and handling; oil and gas exploration/production; oil refining; and petrochemicals.

The course will be valuable to individuals responsible for conducting security vulnerability analyses and managing chemical security at fixed facilities, namely: team leaders and members; security professionals; environmental, health, and safety professionals; supervisors; engineers; and others expected to lead or participate in SVA studies. Participants can take as a single course or become a certified Security Vulnerability Analyst with the SVA certification track.

Register for courses online at http://www.aiche.org/education/crsindex.asp or call: 800-242-4363

This Fall, Vote YES

Members will soon shape the future of the Institute by voting on proposed changes to the constitution. These changes will impact membership and business practices.

To discuss these changes, a public forum will take place at the 2002 Annual Meeting, Monday, November 4, 7-8 am, Marriott Hotel, room Indiana E. Immediately following the forum, voting will begin. For more details, visit: http://www.aiche.org/constitution.
Taylor Teaches Course at UVA

Glenn Taylor, AIChE Fellow and former Executive Director, has been named the Brenton S. Halsey Visiting Professor of Chemical Engineering at the University of Virginia. Taylor’s appointment is for the 2003-2004 academic year when he will teach a senior engineering elective, “The Practice of Engineering.”

The Halsey Professorship was established by the James River Corporation to honor its co-founder and former CEO. The position has been filled by a retired or senior level corporate executive from companies such as Arco Chemical, ExxonMobil, and BASF. Nominations are being accepted for the 2003-2004 academic year. Contact John O’Connell at UVA- jpo2x@virginia.edu.

The course is offered to seniors in the School of Engineering and Applied Science and is focused on topics such as communications, career planning and management, ethics, values and working in teams. Taylor plans to use a blend of HBR case studies, guest lecturers, personal experiences and team assignments to round out the education of the 50 students in the course and speed their transition into successful careers.

“I’m excited about this opportunity. It’s a unique way to give back to the profession and make an impact on the education, scholarship and professional development of students,” Taylor told AIChE Extra. Prior to his five years at AIChE, Taylor was a corporate VP at Engelhard Corporation. He is currently serving as a vice-chair on the AIChE Centennial Committee and on the Institute Critical Issues Team. Taylor received his BScHE degree from the University of Texas - Austin.

Local Section Update

AIChE’s 111 local sections extend the reach of the Institute by bringing services and benefits to members across the country and around the world, including technical programs, tours, and outreach to local students. Below are a few updates from AIChE local sections.

AIChE Welcomes West Michigan Local Section

The CEOC and AIChE’s Member Services staff are excited to announce that West Michigan has been granted official Local Section status. The West Michigan area has more than 450 AIChE members and three universities offering chemical engineering degrees, which will now be represented by AIChE’s West Michigan Section.

NorCal’s Outstanding Student Awards Program

The Northern California Section has expanded their student awards program. This year, in addition to $500 gifts, award-winning college seniors will receive free memberships for one year. This benefit has been introduced to increase membership and retain recent graduates as AIChE members as they shift from student to professional life. The section will also award $1000 cash scholarships plus gifts to High School seniors planning to study chemical engineering. Visit http://www.aiche-norcal.org/awards.html for more information on NorCal’s Local Section Awards Program.

Local section leaders can visit http://www.aiche.org/mag/sections/ for more important section news, updates and reminders.

Obituaries

Stanley P. Anderson, 85
Morristown, NJ
Leonard Cohn, 73
St Louis, MO
Carl H. Cotterill, 84
McLean, VA
Lawrence Coulthurst*, 101
Albuquerque, NM
Alfred C. Goerss, 84
Marietta, OH
Debbie K. Herrmann, 36
Pickerington, OH
Marshall L. Hyman, 78
Knoxville, TN
Joseph W. Jewell, Jr, 82
Houston, TX
Harold W. Johnson, Jr, 87
Placida, FL
George R. Kiel, 83
Richland, WA
Donald A. Limerick, 89
Poway, CA
Carl A. Lovgren, 83
Rockport, MA
J. William Miller, 77
Midland, MI
H. P. Orem, 92
Hot Springs, VA
James O. Osburn, 83
Sterling, IL
Henry C. Ott, 92
Staten Island, NY
Walter Patterson*, 78
West Chester, PA
Norman W. Pruitt, 82
Annandale, VA
Mark S. Putnam, 83
Midland, MI
Henry C. Sepede, 77
Pittsburgh, PA
John C. St Clair, 87
London, OH
Peter Way, 79
Topsfield, MA
Dale Williams, 72
Houston, TX

* Fellow Grade