Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2009

Open to Public Inspection

A For the 2009 calendar year, or tax year beginning July 1 , 2009, and ending June 30 , 20 10

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization The ASME Foundation Inc.

Doing Business As

Number and street (or P O box if mail is not delivered to street address) Room/suite

Three Park Avenue, 23rd Floor

City or town, state or country, and ZIP + 4

New York, NY 10016-5990

D Employer identification number 13 : 3372934

E Telephone number (212) 591-7000

G Gross receipts $ 6,241,427.

F Name and address of principal officer

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶ N/A

I Tax-exempt status: ☑ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ http://www.asme.org/groups/asme-foundation

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1986

M State of legal domicile NY

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: The ASME Foundation is proud to offer financial support to advance the strategic initiatives of ASME - global impact, workforce development and energy to help improve quality of life for all humankind.

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.

3	Number of voting members of the governing body (Part VI, line 1a)	3	13.
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	-0-
5	Total number of employees (Part V, line 2a)	5	-0-
6	Total number of volunteers (estimate if necessary)	6	60.
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	-0-
b	Net unrelated business taxable income from Form 990-T, line 34	7b	

		Prior Year	Current Year
Revenue 8	Contributions and grants (Part VIII, line 1h)	643,714.	1,020,050.
9	Program service revenue (Part VIII, line 2g)		
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	(793,795.)	372,162.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	(150,081.)	1,392,212.
Expenses 13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	431,849.	596,279.
14	Benefits paid to or for members (Part IX, column (A), line 4)		
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)		
16a	Professional fundraising fees (Part IX, column (A), line 11e)		
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 307,037.		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	869,391.	554,017.
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	1,301,240.	1,150,296.
19	Revenue less expenses. Subtract line 18 from line 12	(1,451,321.)	241,916.

		Beginning of Current Year	End of Year
Net Assets or Fund Balances 20	Total assets (Part X, line 16)	18,581,291.	20,527,868.
21	Total liabilities (Part X, line 26)	448,294.	380,409.
22	Net assets or fund balances. Subtract line 21 from line 20	18,132,997.	20,147,459.

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Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

▶ Mr Weis Date 5/3/11
Signature of officer Date

▶ MICHAEL WEIS, TREASURER
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ Date Check if self-employed ▶ ☐ Preparer's identifying number (see instructions)

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ EIN ▶ Phone no ▶ ( )

May the IRS discuss this return with the preparer shown above? (see instructions) ☐ Yes ☐ No

SCANNED MAY 25 2011

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Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission:
"ASME Foundation, through the generous support of ASME members, funds humanitarian programs in energy, workforce development, and global impact. In doing so, ASME is embracing the mission and values of humanitarian engineering and encouraging members to share their many technical skills and knowledge with underserved communities around the world."

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . ☐ Yes ☑ No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . ☐ Yes ☑ No
If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses $ 706,258. including grants of $ 249,629.) (Revenue $)
Major achievments in the art and science of mechanical engineering are nutured and honored through special awards programs. Student loans and scholarships are given to promote mechanical engineering as a field of study. Grants are awarded to deserving mechanical engineering programs at ASME.

4b (Code:) (Expenses $ including grants of $) (Revenue $)

4c (Code:) (Expenses $ including grants of $) (Revenue $)

4d Other program services. (Describe in Schedule O.)
(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses ▶** $706,258.

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1		✓
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	✓	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		✓
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? *If "Yes," complete Schedule C, Part II*	4		✓
5	**Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? *If "Yes," complete Schedule C, Part III*	5		✓
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		✓
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		✓
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		✓
9	Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		✓
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	✓	
11	Is the organization's answer to any of the following questions "Yes"? *If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable*	11		✓
	• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.*			
	• Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*			
	• Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*			
	• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*			
	• Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*			
	• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? *If "Yes," complete Schedule D, Part X.*			
12	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII.*	12	✓	
12A	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional* — 12A: Yes [ ] No ✓			
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		✓
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		✓
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Part I*	14b		✓
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Part II.*	15		✓
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Part III*	16		✓
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		✓
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		✓
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		✓
20	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20		✓

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II.*	21	✓	
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		✓
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	✓	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25.*	24a		✓
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		✓
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		✓
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		✓
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		✓
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		✓
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		✓
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	27		✓
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		✓
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		✓
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		✓
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		✓
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		✓
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		✓
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		✓
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I*	33		✓
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	34		✓
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35		✓
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		✓
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		✓
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O.	38	✓	

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Line	Amount	Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable	1a	7.		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	-0-		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		✓	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	-0-		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b			
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* this return. (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	3a			✓
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			✓
b	If "Yes," enter the name of the foreign country: ▶				
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a			✓
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			✓
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?	6a			✓
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			✓
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		✓	
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			✓
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			✓
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			✓
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			✓
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			✓
10	**Section 501(c)(7) organizations.** Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b			

Part VI **Governance, Management, and Disclosure** *For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.*

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body	1a 13.		
b	Enter the number of voting members that are independent	1b 13.		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		✓
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		✓
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		✓
5	Did the organization become aware during the year of a material diversion of the organization's assets?	5		✓
6	Does the organization have members or stockholders?	6		✓
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		✓
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b		✓
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a	The governing body?	8a	✓	
b	Each committee with authority to act on behalf of the governing body?	8b	✓	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	9a		✓

Section B. Policies *(This Section B requests information about policies not required by the Internal Revenue Code.)*

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		✓
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11	✓	
11A	Describe in Schedule O the process, if any, used by the organization to review this Form 990.			
12a	Does the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	✓	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	✓	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this is done*	12c	✓	
13	Does the organization have a written whistleblower policy?	13		✓
14	Does the organization have a written document retention and destruction policy?	14		✓
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	✓	
b	Other officers or key employees of the organization	15b	✓	
	If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		✓
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ NJ, NY

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.

☐ Own website ☐ Another's website ☑ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶ Kenneth Hunt, 22 Law Drive Fairfield, NJ 07006

Part VII **Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☑ Check this box if the organization did not compensate any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
Terry Shoup, Chair	6.	✓		✓				-0-	-0-	-0-
Ward O. Winer Vice Chair	5.	✓		✓				-0-	-0-	-0-
James Coaker Director	1.5	✓						-0-	-0-	-0-
Amos Holt Director	1.5	✓						-0-	-0-	-0-
Lee Langston Director	1.5	✓						-0-	-0-	-0-
Thomas Loughlin Director	1.5	✓						-0-	395,705.	-0-
Victoria Rockwell Director	1.5	✓						-0-	-0-	-0-
Susan Skemp Director	1.5	✓						-0-	-0-	-0-
Charla Wise Director	1.5	✓						-0-	-0-	-0-
Michael Weis Teasurer	2.	✓		✓				-0-	291,578.	-0-
Warren Leonard Executive Director	10.	✓						-0-	167,428.	-0-
Judith Kearney Secretary	40.	✓		✓				-0-	98,626.	-0-
John Elter Director	1.5	✓						-0-	-0-	-0-
Richard Goldstein Director	1.5	✓						-0-	-0-	-0-
William Mitchell Director	1.5	✓						-0-	-0-	-0-
John Swanson Director	1.5	✓						-0-	-0-	-0-

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
N/A										
1b Total . . . . ▶								-0-	953,337.	-0-

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶

		Yes	No
3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		✓
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*.	4	✓	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		✓

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
N/A		

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶ -0-

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f 1,020,050				
	g Noncash contributions included in lines 1a-1f $					
	h **Total.** Add lines 1a–1f ▶		1,020,050			
Program Service Revenue		Business Code				
	2a					
	b					
	c					
	d					
	e					
	f All other program service revenue					
	g **Total.** Add lines 2a–2f ▶					
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶		555,162			555,162
	4 Income from investment of tax-exempt bond proceeds ▶					
	5 Royalties ▶					
		(i) Real / (ii) Personal				
	6a Gross Rents					
	b Less: rental expenses					
	c Rental income or (loss)					
	d Net rental income or (loss) ▶					
		(i) Securities / (ii) Other				
	7a Gross amount from sales of assets other than inventory	4,666,215.				
	b Less: cost or other basis and sales expenses	4,849,215.				
	c Gain or (loss)	(183,000.)				
	d Net gain or (loss) ▶		(183,000.)			(183,000.)
	8a Gross income from fundraising events (not including $ of contributions reported on line 1c). See Part IV, line 18	a				
	b Less: direct expenses	b				
	c Net income or (loss) from fundraising events ▶					
	9a Gross income from gaming activities See Part IV, line 19	a				
	b Less: direct expenses	b				
	c Net income or (loss) from gaming activities ▶					
	10a Gross sales of inventory, less returns and allowances	a				
	b Less: cost of goods sold	b				
	c Net income or (loss) from sales of inventory ▶					
	Miscellaneous Revenue	Business Code				
	11a					
	b					
	c					
	d All other revenue					
	e **Total.** Add lines 11a–11d ▶					
	12 **Total revenue.** See instructions. ▶		1,392,212.			372,162.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	596,279.	596,279.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages				
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	12,500.		12,500.	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other	30,031.	19,501.	10,530.	
12 Advertising and promotion	3,515.		3,515.	
13 Office expenses	12,300.	620.	11,441.	239.
14 Information technology				
15 Royalties				
16 Occupancy	66,684.			66,684.
17 Travel	54,105.	23,567.	24,005.	6,533.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	14,466.	12,425.		2,041.
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance				
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a Telephone and supplies	6,880.		2,634.	4,246.
b Development office	240,444.		13,150.	227,294.
c Consulting service	54,659.		54,659.	
d Certificates,Plaques	58,433.	53,866.	4,567.	
e				
f All other expenses				
25 **Total functional expenses.** Add lines 1 through 24f	1,150,296.	706,258.	137,001.	307,037.
26 **Joint costs.** Check here ▶ ☐ if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

			(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing	408,609.	1	113,215.
	2	Savings and temporary cash investments		2	
	3	Pledges and grants receivable, net		3	84,650.
	4	Accounts receivable, net		4	
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net	1,176,435.	7	1,045,028.
	8	Inventories for sale or use	182,291.	8	164,170.
	9	Prepaid expenses and deferred charges		9	
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D — 10a			
	b	Less: accumulated depreciation — 10b		10c	
	11	Investments—publicly traded securities	16,813,956.	11	19,120,805.
	12	Investments—other securities. See Part IV, line 11		12	
	13	Investments—program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11		15	
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	18,581,291.	16	20,527,868.
Liabilities	17	Accounts payable and accrued expenses	448,294.	17	380,409.
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities. Complete Part X of Schedule D		25	
	26	**Total liabilities.** Add lines 17 through 25	448,294.	26	380,409.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☐ and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	7,738,261.	27	7,937,681.
	28	Temporarily restricted net assets	5,920,981.	28	7,289,752.
	29	Permanently restricted net assets	4,473,755.	29	4,920,026.
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	18,132,997.	33	20,147,459.
	34	Total liabilities and net assets/fund balances	18,581,291.	34	20,527,868.

Part XI Financial Statements and Reporting

			Yes	No
1	Accounting method used to prepare the Form 990: ☐ Cash ☑ Accrual ☐ Other ______ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	✓	
b	Were the organization's financial statements audited by an independent accountant?	2b	✓	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	✓	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.			
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both: ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		✓
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.	3b		

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization: The ASME Foundation Inc.

Employer identification number: 13 3372934

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: ____________

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 ☐ An organization that normally receives: (1) more than 33⅓ % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33⅓ % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

11 ☑ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I **b** ☑ Type II **c** ☐ Type III–Functionally integrated **d** ☐ Type III–Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box . . . . ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g(i)		
(ii) A family member of a person described in (i) above?	11g(ii)		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)		

h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section **(see instructions)**)	(iv) Is the organization in col (i) listed in your governing document? Yes	No	(v) Did you notify the organization in col (i) of your support? Yes	No	(vi) Is the organization in col (i) organized in the U S ? Yes	No	(vii) Amount of support
The American Society Mechanical	13-1623899	9	✓		✓		✓		0.
Total									

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc. (see instructions) . . . 12

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f)) . . . . 14 %

15 Public support percentage from 2008 Schedule A, Part II, line 14 . . . . 15 %

16a **33⅓% support test—2009.** If the organization did not check the box on line 13, and line 14 is 33⅓% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33⅓% support test—2008.** If the organization did not check a box on line 13 or 16a, and line 15 is 33⅓% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

17a **10%-facts-and-circumstances test—2009.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

b **10%-facts-and-circumstances test—2008.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ ☐

Part III **Support Schedule for Organizations Described in Section 509(a)(2)**
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support.** (Add lines 9, 10c, 11, and 12.)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2008 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2009** (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from **2008** Schedule A, Part III, line 17	18	%

19a **33⅓ % support tests—2009.** If the organization did not check the box on line 14, and line 15 is more than 33⅓ %, and line 17 is not more than 33⅓ %, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33⅓ % support tests—2008.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33⅓ %, and line 18 is not more than 33⅓ %, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Provide any other additional information. See instructions.

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization: The ASME Foundation Inc.

Employer identification number: 13 : 3372934

Part I **Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II **Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (e.g., recreation or pleasure)
☐ Preservation of an historically important land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

			Held at the End of the Tax Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶

4 Number of states where property subject to conservation easement is located ▶

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.** Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $

(ii) Assets included in Form 990, Part X ▶ $

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ $

b Assets included in Form 990, Part X ▶ $

Part III **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV **Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V **Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	18,132,997.	22,604,231.			
b Contributions	1,020.050.	643,714.			
c Net investment earnings, gains, and losses	2,144,708.	(3,813,708.)			
d Grants or scholarships	596,279.	778,599.			
e Other expenditures for facilities and programs	417,016.	434,662.			
f Administrative expenses	137,001.	87,979.			
g End of year balance	20,147,459.	18,132,997.			

2 Provide the estimated percentage of the year end balance held as:

a Board designated or quasi-endowment ▶ 39.40 %

b Permanent endowment ▶ 24.42 %

c Term endowment ▶ 36.18 %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

		Yes	No
(i) unrelated organizations	3a(i)		✓
(ii) related organizations	3a(ii)		✓
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI **Investments—Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				
Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
Financial derivatives		
Closely-held equity interests		
Other		
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 12.)* ▶		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 13.)* ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 15.)* ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
Federal income taxes	
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 25.)* ▶	

2. FIN 48 Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48.

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	1,392,212.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	1,150,296.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	241,916.
4	Net unrealized gains (losses) on investments	4	1,772,546.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net). Add lines 4 through 8	9	1,772,546.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	2,014,462.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	3,164,758.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:				
a	Net unrealized gains on investments	2a	1,772,546.		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV.)	2d			
e	Add lines **2a** through **2d**			2e	1,772,546.
3	Subtract line **2e** from line **1**			3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV.)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total revenue. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12.)*			5	1,392,212.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	1,150,296.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV.)	2d			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	1,150,296.
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV.)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total expenses Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 18.)*			5	1,150,296.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

The Foundation funds uses such as scholarships, awards, fellowships and grants through various established funds in he Foundation. Student loans are given to promote mechanical engineering as a field of study to deserving students. The Foundation also funds the ASME Foundation Grant program which provides support for ASME initiatives that encourage math, science and engineering literacy, engineering career development, programs that encourage the development of sound public policy.

Part XIV Supplemental Information *(continued)*

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

OMB No 1545-0047
2009
Open to Public Inspection

Name of the organization: The ASME Foundation Inc.
Employer identification number: 13 3372934

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☑ Yes ☐ No
2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed ▶ ☑

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
ASME Gov't Relations Three Park Ave New York, NY	13-1623899	501(c)3	60,939.				1)see part IV
ASME Foundation Three Park Ave New York, NY	13-1623899	501(c)3	19,300.				1)see part IV
ASME Centers Sector Three Park Ave New York, NY	13-1623899	501(c)3	2,386.				1)see part IV
ASME Centers Sector Three Park Ave New York, NY	13-1623899	501(c)3	91,067.				1)see part IV
ASME Centers Sector Three Park Ave New York, NY	13-1623899	501(c)3	18,043.				1)see part IV
ASME Centers Sector Three Park Ave New York, NY	13-1623899	501(c)3	14,415.				1)see part IV
ASME Centers Sector Three Park Ave New York, NY	13-1623899	501(c)3	43,479.				1)see part IV
Engineering For Change LLC Three Park Ave New York, NY	27-0287469	501(c)3	100,000.				1)see part IV
ASME Honors & Awards Three Park Ave New York, NY	13-1623899	501(c)3	25,000.				1)see part IV

2 Enter total number of section 501(c)(3) and government organizations ▶ -4-
3 Enter total number of other organizations ▶ -0-

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Use Part IV and Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
N/A					

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

(h) 1)Federal Government ASME Fellow Program 2)Leighton & Margaret Orr Fund

3)ASME Impact Graduate Students 4)E- Nano Library Tools Tomorrow Workforce

5)Mechanical Engineering Education 2028 6)Mechanical Engineering A-Z Enhancement

7)ASME Innovation Showcase 2009 I - Show 8)Engineering For Change 9)ASME Honors Awards

SCHEDULE J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization	Employer identification number
The ASME Foundation Inc.	13 3372934

Part I Questions Regarding Compensation

		Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items. ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax indemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e.g., maid, chauffeur, chef)			
b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b		
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2		
3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply. ☑ Compensation committee ☐ Written employment contract ☐ Independent compensation consultant ☑ Compensation survey or study ☐ Form 990 of other organizations ☑ Approval by the board or compensation committee			
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:			
a Receive a severance payment or change-of-control payment?	4a		✓
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b		✓
c Participate in, or receive payment from, an equity-based compensation arrangement?	4c		✓
If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.			
Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5–9.			
5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a The organization?	5a		✓
b Any related organization?	5b		✓
If "Yes" to line 5a or 5b, describe in Part III.			
6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:			
a The organization?	6a		✓
b Any related organization?	6b		✓
If "Yes" to line 6a or 6b, describe in Part III.			
7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7		✓
8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III	8		✓
9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9		

Part II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use Schedule J-1 if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1)Thomas G. Loughlin	(i)	356,770.	14,000.	24,935.	9,800.	15,455.	420,960.	373,855.
	(ii)						-0-	-0-
2)Michael K. Weis	(i)	254,498.	15,080.	22,000.	4,900.	14,757.	311,235.	310,875.
	(ii)						-0-	-0-
3)Warren R. Leonard	(i)	144,428.	-0-	22,650.	6,927.	8,120.	182,475.	205,272.
	(ii)						-0-	-0-
4)Judith Kearney	(i)	74,626.	2,500.	22,000.	1,977.	7,428.	108,031.	104,116.
	(ii)						-0-	-0-
	(i)							
	(ii)							
	(i)							
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	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

The names 1-3 listed above are full- time employees of the related organization(ASME) and are elected as officers in the ASME Foundation Inc.

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization	Employer identification number
The ASME Foundation Inc.	13 3372934

Form 990, Part VI, line 10: ASME Review Process IRS 990 Form

1. ASME Accounting staff prepares the IRS 990 Form and provides a copy to the ASME Foundation Chair, Executive Director, Treasurer and Audit Committee Chair. This occurs approximately three weeks prior to the date required for submission to the IRS.

2. A telephone meeting to review the form is arranged by the ASME Foundation Executive Director to include the Foundation officers and the ASME Managing Director of Finance.

3. The form is then distributed to the full ASME Foundation Board of Directors at least two weeks prior to the required submission date to the IRS.

4. Form 990 is submitted to the IRS.

Form 990, Part VI, line 19 -The ASME Foundation Inc. uses its FOUNDATION.ASME.org website to make available to the public its governance documents including the By-laws and Policies as well as its Annual Report with the financial statements. Printed copies of these documents are available to the public upon request.

Form 990, Part VI, Line 15a - The process for determining the compensation of the Executive Director includes a review of comparability data provided by an independent compensation consultant, as well as review and approval by independent persons, and the contemporaneous substantiation of the deliberation and decision.

Form 990, Part VI, Line 15b - The process for determining the compensation of other officers includes a review of comparability data provided by an independent compensation consultant. Annually, this independent consultant provides an update on compensation for all staff, which requires the review and approval by independent persons of staff salary ranges, average salary increases, and incentive compensation structures. These independent persons also review, in aggregate, the average compensation, relative to salary band midpoint, of individuals assigned to exempt salary bands.

Name of the organization	Employer identification number

THE ASME FOUNDATION, INC.

Financial Statements

June 30, 2010

(With Comparative Totals for June 30, 2009)

(With Independent Auditors' Report Thereon)

Marks Paneth & Shron LLP
Certified Public Accountants and Consultants

THE ASME FOUNDATION, INC.

Notes to Financial Statements

June 30, 2010

(With Comparative Totals for June 30, 2009)

(With Independent Auditors' Report Thereon)

Contents

Independent Auditors' Report

The Board of Directors
The ASME Foundation, Inc.

We have audited the accompanying statement of financial position of The ASME Foundation, Inc. (the "Foundation") as of June 30, 2010, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Foundation's 2009 financial statements and, in our report dated October 26, 2009, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The ASME Foundation, Inc. as of June 30, 2010, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles general accepted in the United States of America.

New York, NY
September XX, 2010

THE ASME FOUNDATION, INC.

Statement of Financial Position

As of June 30, 2010
(With Comparative Totals for June 30, 2009)

Assets		**2010**		**2009**
Cash (Note 8)	$	113,215	$	408,609
Student loans receivable, less allowance for doubtful accounts of $92,820 in 2010 and $89,182 in 2009		1,045,029		1,176,435
Contributions receivable		84,650		—
Medal inventory		164,169		182,291
Investments (Note 4)		19,120,805		16,813,956
Total assets	$	20,527,868	$	18,581,291
Liabilities and Net Assets				
Liabilities:				
Accounts payable and accrued expenses	$	—	$	10,294
Annuities payable		380,409		438,000
Total liabilities		380,409		448,294
Net assets:				
Unrestricted		7,937,681		7,738,261
Temporarily restricted (note 5)		7,289,752		5,920,981
Permanently restricted (note 5)		4,920,026		4,473,755
Total net assets		20,147,459		18,132,997
Total liabilities and net assets	$	20,527,868	$	18,581,291

See accompanying notes to financial statements.

THE ASME FOUNDATION, INC.

Statement of Activities

Year ended June 30, 2010
(With Comparative Totals for June 30, 2009)

	Unrestricted	Temporarily restricted	Permanently restricted	2010 Total	2009 Total
Operating revenue:					
Contributions (Note 3)	$ 439,052	$ 208,248	$ 372,750	$ 1,020,050	$ 643,714
Interest and dividends, net of investment fees of $51,122 in 2010 and $56,563 in 2009	178,235	303,898	73,029	555,162	659,052
Net assets released from restrictions	286,000	(286,000)	—	—	—
Total operating revenue	903,287	226,146	445,779	1,575,212	1,302,766
Operating expenses (Note 7):					
Grants	249,629	—	—	249,629	242,678
Contributions to ASME programs (Note 3)	25,000	—	—	25,000	189,171
Scholarships, awards, and honoraria	321,650	—	—	321,650	346,750
Development office salaries and benefits (Note 3)	227,294	—	—	227,294	235,496
Medals, plaques, and certificates	57,434	—	—	57,434	58,120
Occupancy and administration (Note 3)	72,378	—	—	72,378	88,954
Professional and consulting fees	78,568	—	—	78,568	18,797
Reproduction, stationery, and supplies	14,252	—	—	14,252	12,217
Travel, postage, and other	104,091	—	—	104,091	109,057
Total operating expenses	1,150,296	—	—	1,150,296	1,301,240
Excess (deficiency) of operating revenue over operating expenses	(247,009)	226,146	445,779	424,916	1,526
Nonoperating activity					
Realized/unrealized gain (loss) on investments and split interest agreements (Note 4)	675,102	913,952	492	1,589,546	(4,472,760)
Increase(decrease) in net assets	428,093	1,140,098	446,271	2,014,462	(4,471,234)
Net assets at beginning of year	7,738,261	5,920,981	4,473,755	18,132,997	22,604,231
Reclassification of Net Assets (Note 5)	(228,673)	228,673	—	—	—
Net assets at end of year	$ 7,937,681	$ 7,289,752	$ 4,920,026	$ 20,147,459	$ 18,132,997

See accompanying notes to financial statements.

THE ASME FOUNDATION, INC.

Statement of Cash Flows

Year ended June 30, 2010
(With Comparative Totals for June 30, 2009)

	2010	2009
Cash flows from operating activities:		
Increase (decrease) in net assets	$ 2,014,462	$ (4,471,234)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:		
Endowment contributions and interest and dividends required to be added to permanently restricted net assets	(445,779)	(162,264)
Bad debt expense	3,637	(11,037)
Change in the value of split interest agreements	(67,709)	204,934
Realized/unrealized (gain) loss on investments	(1,521,837)	4,267,826
Changes in assets and liabilities:		
Decrease in medal inventory	18,122	14,290
Increase in contributions receivable	(84,650)	—
Decrease in accounts payable and accrued expenses	(10,294)	(13,813)
Loans issued to students	(187,400)	(364,775)
Collection of loans from students	315,170	303,401
Net cash provided by (used in) operating activities	33,722	(232,672)
Cash flows from investing activities:		
Purchases of units in the investment pool of ASME	(1,125,050)	(641,288)
Sales of units in the investment pool of ASME	407,747	499,823
Net cash used in investing activities	(717,303)	(141,465)
Cash flows from financing activities:		
Endowment contributions and interest and dividends required to be added to permanently restricted net assets	445,779	162,264
Annuity payments	(57,592)	(59,512)
Net cash provided by financing activities	388,187	102,752
Net decrease in cash	(295,394)	(271,385)
Cash at beginning of year	408,609	679,994
Cash at end of year	$ 113,215	$ 408,609

See accompanying notes to financial statements.

(1) Organization

The ASME Foundation, Inc. (the "Foundation") was incorporated as a not-for-profit supporting organization on February 7, 1986 to promote the art, science, and practice of mechanical engineering throughout the world and engage in activities which support The American Society Of Mechanical Engineers ("ASME"). The Foundation is affiliated with ASME, but not controlled by ASME. The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Foundation provides the following services:

- Encourages and rewards outstanding achievement in mechanical engineering by obtaining funds for the conferring of honors and awards on persons and organizations who or which have made substantial contributions to the advancement of mechanical engineering;
- Obtains funding for scholarships, grants, and/or awards which support and expand career opportunities or professional growth in the field of mechanical engineering through education and research;
- Sponsors programs and projects such as lectures, seminars, and clinics which contribute to the continuing education and professional growth of practicing mechanical engineers; and
- Supports research in mechanical engineering and the rapid dissemination of results throughout the community of mechanical engineers.

(2) Summary of Significant Accounting Policies

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting.

Basis of Presentation

The Foundation's net assets and revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Foundation and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that will be met either by actions of the Foundation and/or the passage of time.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on related investments for general or specific purposes.

Revenues are reported as increases in unrestricted net assets unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

Student Loans Receivable

Historically, the Foundation has not experienced significant bad debt losses. As of June 30, 2010 and 2009, the Foundation determined that an allowance for uncollectible accounts is necessary for Student Loans receivable in the amount of $92,820 and $89,182, respectively. The determination is based on its historical loss experience and consideration of the aging of the Student Loan receivables. Student Loans are written-off directly when all receivable collection efforts have been exhausted.

Medal Inventory

Medal inventory is carried in the financial statements at the lower of cost, which is determined using the first-in, first-out method, or market.

Fair Value Implementation

Fair value measurements are based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three levels, as described in Note 4.

Split Interest Agreements

The Foundation receives contributions in the form of charitable gift annuities and trusts for which the Foundation is the trustee. Such split interest agreements typically provide for payments to a donor or their beneficiary a fixed amount for a specified period. The time period can be for the life of the donor or his/her designee. The assets received are recognized at fair value when received, and an annuity payable is recorded at the present value of future cash flows expected to be paid to the donor or his/her designee based upon mortality tables and interest assumptions. Contribution revenue is recognized as the difference between these two amounts. Contributions, investments, and a liability to annuitants are recognized by the Foundation in the period in which the assets are donated. Adjustments to the annuity payable to reflect amortization of the discount and changes in the life expectancy of the donor or his/her beneficiary are recognized in the statement of activities.

Contributions

Contributions, which include unconditional promises to give (pledges), are recognized as revenue in the period received.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Pronouncement

Effective July 1, 2009, the Foundation adopted the provisions of FASB Interpretation No. 48 ("FIN 48"), "Accounting for Uncertainties in Income Taxes – an Interpretation of FASB Statement No. 109," now incorporated in Accounting Standards Codification ("ASC") Topic 740, which provides standards for establishing and classifying any tax provisions for uncertain tax positions. The adoption of FIN 48 did not have an effect on the Foundation's financial position as of July 1, 2009 or the Foundation's results of operations and cash flows for the year ended June 30, 2010. The Foundation is no longer subject to federal or state and local income tax examinations by tax authorities for fiscal years before 2007.

Subsequent Events

The Foundation has evaluated, for potential recognition and disclosure, events subsequent to the date of the statement of financial position through September XX, 2010, the date the financial statements were available to be issued. No events have occurred subsequent to June 30, 2010 through September XX, 2010, that would require adjustment to or disclosure in the accompanying financial statements.

Prior Year Comparative Information

The financial statements are presented with 2009 summarized comparative information. With respect to the statement of activities, such prior year information is presented in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's 2009 financial statements from which the summarized information was derived. Certain line items in the June 30, 2009 comparative information have been reclassified to conform to June 30, 2010 presentation.

(3) Transactions with ASME

The Foundation has no employees and receives administrative support from ASME. In fiscal year 2009, ASME charged the Foundation for Development office space and other services in the amount of $340,000. In fiscal year 2010, ASME donated these services. The contributed services have been valued at the standard market rates that would have been incurred by the Foundation in order to obtain them and amounted to $361,575 for the year ended June 30, 2010, and are reported as both revenue and expense in the accompanying financial statements because they meet the criteria as prescribed by accounting principles generally accepted in the United States of America.

In fiscal years 2010 and 2009, the Foundation made contributions of \$125,000 and \$189,171, respectively, to ASME in support of honors and awards and the Engineering for Change project. In fiscal year 2010, ASME contributed \$263,875 to the Foundation for NED Scholarships. In fiscal 2010, ASME donated these services.

(4) Investments

Although available for operating purposes when necessary, the investment portfolio is generally considered by management to be invested on a long-term basis. The Foundation's investments consist of an undivided interest in the investment pool of ASME. ASME pooled investments consist of mutual funds, bonds and notes, common and preferred stock, money market funds and certificates of deposit. Investments of the pool are recorded at fair value based upon quoted market prices. Realized and unrealized gains and losses are recognized as changes in net assets in the periods in which they occur, and interest and dividends are recognized as revenue in the period earned. At June 30, 2010 and 2009, the Foundation's interest had a cost basis of \$20,064,007 and \$19,529,704, respectively, and a fair value of \$19,120,805 and \$16,813,956, respectively.

The change in fair value of investments for the years ended June 30, 2010 and 2009 consisted of the following:

	2010	2009
Net realized loss on investment transactions	$ (183,000)	$ (1,452,847)
Net change in unrealized gain (loss)	1,772,546	(3,019,913)
	$ 1,589,546	$ (4,472,760)

The fair value hierarchy defines three levels as follows:

Level 1: Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Valuations based on observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Valuations based on unobservable inputs are used when little or no market data is available.

The fair value hierarchy gives lowest priority to Level 3 inputs. In determining fair value, ASME utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible in its assessment of fair value.

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All investments are Level 1, quoted prices in active markets for identical assets.

Investments are subject to market volatility which could substantially change the carrying value in the near term.

(5) Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets and the income earned on permanently restricted net assets are restricted by donors to the following purposes or future periods at June 30, 2010 and 2009:

	2010		2009	
	Temporarily restricted	Permanently restricted	Temporarily restricted	Permanently restricted
Award programs	$ 4,822,430	$ 1,449,820	$ 3,940,279	$ 1,310,684
Scholarship and fellowship programs	682,386	3,455,206	390,241	3,148,071
Grants and other programs	558,046	—	492,431	—
College programs in power engineering	71,326	—	65,048	—
U.S. engineering programs	355,732	—	316,942	—
Gift annuity	240,863	—	178,712	—
Student loan program	558,969	15,000	537,328	15,000
	$ 7,289,752	$ 4,920,026	$ 5,920,981	$ 4,473,755

During the year ended June 30, 2010, the Foundation obtained clarifications of donor restrictions in relation to $228,673 of net assets that were unrestricted at June 30, 2009, which should have been temporarily restricted for the Greater Good Campaign. Because the restrictions existed, or were properly believed to exist, at that date, the reclassification has been recorded in the year ended June 30, 2010.

(6) Endowment Net Assets

Accounting principles generally accepted in the United States provide guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to the enacted version of the Uniform Prudent Management of Funds Act (UPMIFA). The guidance requires disclosure about the organizations endowment funds, whether or not the organization is subject to

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UPMIFA. UPMIFA has not been enacted in New York State; therefore the Foundation has implemented only the required disclosure guidance.

The Foundation's Board of Governors have interpreted New York State nonprofit law as requiring the preservation of the historical dollar value of the original donor restricted endowment gift as of the gift date, absent of explicit donor stipulations to the contrary. See Note 2 for how the Foundation maintains its net assets.

Changes in endowment net assets for the year ended June 30, 2010:

	Temporarily Restricted	Permanently Restricted	2010 Restricted Investments	2009 Endowment Investments
Endowment net assets, beginning of year	$ 5,920,981	$ 4,473,755	$ 10,394,736	$ 12,487,283
Contribution to endowments	208,248	372,750	580,998	$ 422,131
Investment Activity:				
Interest and dividends	303,898	73,029	376,927	419,582
Unrealized gain on investments	1,021,094	549	1,021,643	(1,685,165)
Realized loss on investments	(107,142)	(57)	(107,199)	(799,571)
Total investment activity	1,217,850	73,521	1,291,371	(2,065,154)
Amount appropriated for expenditure	(286,000)	-	(286,000)	(449,524)
Reclassification of net assets (Note 5)	228,673	-	228,673	-
Endowment net assets, end of year	$ 7,289,752	$ 4,920,026	$ 12,209,778	$ 10,394,736

Endowment net assets of $12,209,778 are included with investments on the statement of financial position for the fiscal year ended June 30, 2010.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Foundation to retain as a fund of perpetual duration. Deficiencies of this nature are reported in either restricted or unrestricted net assets. These deficiencies resulted from unfavorable market fluctuations that occurred in the economy as a whole, whereby the fair market value of the donor restricted endowment fund was below the amount that is required to be retained permanently by $338,635 as of June 30, 2010.

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(7) Functional Expenses

The Foundation's expenses, which are reported by natural classification in the accompanying statement of activities, benefited the following program and supporting services for the years ended June 30, 2010 and 2009:

	2010	2009
Program services:		
Awards	$ 305,827	$ 451,178
Grants	230,829	242,678
Scholarships and fellowships	154,670	239,651
Student loan program	22,892	6,722
	714,218	940,229
Supporting services:		
Management and general	129,041	21,011
Development	307,037	340,000
	$ 1,150,296	$ 1,301,240

(8) Concentration of Credit Risk

The Foundation maintains cash in a major financial institution. Cash in banks are insured by the Federal Deposit Insurance Corporation ("FDIC"). During 2009, FDIC insurance coverage for interest bearing accounts was increased from $100,000 to $250,000, expiring December 31, 2013. For non-interest bearing accounts, such coverage is limited to December 31, 2009. During the current fiscal year, the Foundation does not have cash balances in the financial institution in excess of the limit.