

ASTM TEST MONITORING BOARD MEETING  
June 20, 2005

Pittsburgh Hilton Hotel  
Pittsburgh, PA

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### **CALL TO ORDER**

ASTM D02.B0.08, the Test Monitoring Board, met on Monday, June 20, 2005 at 5:00 p.m. in the Rivers room of the Pittsburgh Hilton Hotel in Pittsburgh, Pennsylvania. There were nine voting members, five non-voting members, and five visitors present. The attendance roster is shown in Attachment A. Minutes from the December 6, 2004 and March 31, 2005 meetings were approved.

### **MEMBERSHIP**

There were no changes in TMB voting membership.

### **ADMINISTRATIVE GUIDANCE COMMITTEE**

Walter Groff presented the AGC report (see Attachment B). The report included a review of the TMC financial forecasts that led to the TMB actions of March 31, 2005. An assessment of the fee increase needed to balance the TMC budgets through 2007 resulted in a recommendation from the AGC to increase TMC fees by 17%, effective August 1, 2005. The AGC further recommended that PC-10 matrix tests be exempt from the fee increase, since the current TMC fees were used to develop matrix test pricing. After much discussion of the AGC recommendations, the TMB passed a motion to increase TMC fees by 18%, except for PC-10 matrix tests which would be charged at the current rates. The vote was six (6) in favor and three (3) against. The TMB will request Subcommittee B approval of this fee increase.

Walter Groff is stepping down as AGC chairman and will be replaced by Tom Cousineau. Ben Weber will represent Southwest Research on the AGC.

Walter Groff was presented the ASTM Committee D02 Award of Excellence for his 30+ years of service to ASTM committee activities. The TMB expressed their appreciation to Walter for his service as AGC chairman.

## **TECHNICAL GUIDANCE COMMITTEE**

Gordon Farnsworth reported that the TGC had not met since the last TMB meeting. There was one successful email ballot regarding the ASTM LTMS document. A new Appendix G entitled "Guidelines for Developing Reference Oil Targets and Severity Adjustment Standard Deviations – B.01 & B.02 Tests" was approved and issued. Gordon Farnsworth is stepping down as TGC chairman due to his retirement. He will be replaced by William Buscher III. The TGC report is shown in Attachment C.

## **DATA COMMUNICATIONS COMMITTEE**

Frank Farber presented the DCC report (see Attachment D). The DCC has not met during the past six months. The only current activity of the DCC is beta testing of report packet revisions.

## **TEST MONITORING CENTER**

The TMC report is shown in Attachment E. John Zalar reported on the recent staff reductions and the resulting impacts on the remaining staff (13), including revised test area assignments among the TMC engineers. The TMC issued 25 information letters during the past six months. All the letters passed a recent Subcommittee B ballot (05-2) with no disapproves and no comments (see Attachment F). The TMC continues to provide support for the PC-10 category development, including lab inspections, handling matrix oils, developing data dictionaries and report forms, test procedure writing, reviewing matrix tests, web site posting of test data, and overall matrix project supervision and reporting. The blending of BC-6 and BCFHD-6 oils for the Sequence VIB test has been completed and the products have been approved for use. John Zalar reported that he had agreed to serve as chairman of Section B.10, Standards Acceleration, to replace Mike McMillan who is retiring.

## **OLD BUSINESS**

There was no old business.

## **NEW BUSINESS**

Tom Cousineau suggested that consideration be given to amending the *Regulations Governing the ASTM Test Monitoring System* to allow voting members of the TMB to serve up to four consecutive two-year terms instead of three. After some discussion, the TMB passed a motion to ask Subcommittee B to ballot this proposed change. The vote was eight (8) in favor and zero (0) against.

## **NEXT MEETING**

The next meeting is scheduled for December 5, 2005 in New Orleans, Louisiana.

**ADJOURNMENT**

The meeting was adjourned at 6:45 p.m.

**REPORT TO SUBCOMMITTEE B**

After close of the TMB meeting, the report included as Attachment G was prepared by the TMB secretary and chairman to reflect the reports and actions of this TMB meeting. This Subcommittee B report was not reviewed by the TMB membership but is reported here for information.

Respectfully submitted,

A handwritten signature in black ink that reads "John L. Zalar". The signature is written in a cursive style with a large initial "J" and "Z".

John L. Zalar, Secretary  
ASTM Test Monitoring Board

JLZ/jlz

Attachments

# Attachment A




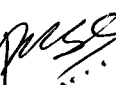
## ASTM TEST MONITORING BOARD MEETING

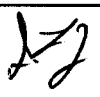
June 20, 2005  
Pittsburgh Hilton Hotel  
Pittsburgh, Pennsylvania

### Voting Members

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Hannah Murray <i>2350 Green Road</i>	Toyota Technical Center USA <del>1588 Woodridge Avenue</del> Ann Arbor, MI <del>48105-9773</del> 48105	Phone: (734) 995-3762 e-mail: <a href="mailto:hmurray@ttc-usa.com">hmurray@ttc-usa.com</a> FAX: <del>(734) 995-5971</del> 734.995.9049	<i>HM</i>
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# **AGC REPORT TO THE TEST MONITORING BOARD**

**December, 2004**

**To**

**June, 2005**

**June 20, 2005**



# AGC Semi-Annual Report

## Membership

- Walter Groff SwRI (Chair)
- Tom Cousineau Afton Chemical Co.
- John Glaser Perkin Elmer
- Ken Pearson ASTM
- *Oil Side Rep* *No volunteer yet*
- Lew Williams Lubrizol
- John Zalar TMC

# **AGC Semi-annual Report**

## **Chair and Membership Changes**

- **Effective after this meeting Tom Cousineau will replace Walter Groff as the chairman of the AGC**
- **Ben Weber will replace Walter Groff as the SwRI representative**

# **AGC Semi-annual Report Responsibilities**

- **Advise the Administrator in general business activity**
- **Advise the Administrator in finalizing the annual budget, manpower request and contract recommendations**
- **Prepare an annual evaluation and salary recommendations of the administration for presentation to the board.**

# **AGC Semi-annual Report**

## **TMC Fiscal Performance - FY 2004 - Final**

- **Fiscal 2003 actual performance** **-\$182,640**
- **Fiscal 2004 before audit** **-\$198,130**
- **Fiscal 2004 After Audit** **-\$205,293**
  - **Facilitator payments made after January 31, 2005 were applied to FY2004**

# **AGC Semi-annual Report**

## **TMC Fiscal Performance – 6 year Trend**

■ <b>Fiscal 1999</b>	<b>\$405,732</b>
■ <b>Fiscal 2000</b>	<b>\$490,521</b>
■ <b>Fiscal 2001</b>	<b>\$510,063</b>
■ <b>Fiscal 2002</b>	<b>-\$281,647</b>
■ <b>Fiscal 2003</b>	<b>-\$182,640</b>
■ <b>Fiscal 2004</b>	<b>-\$205,293</b>

# Fiscal Performance and Projections

## December, 2004 AGC Report

Fiscal Year	Net	Months Reserve
2004*	Breakeven	16.6
2005**	\$4,000	16.4
2006**	\$9,100	16.1
2007**	\$14,700	15.8

\* Based on Industry information obtained in August of 2003

\*\*Based on Industry information obtained in August of 2004

# **Fourth Quarter TMC FY2004 Financial Update**

- **Financial information compiled during the fourth quarter suggested that forecasts were not being met.**
  - Lower than expected revenue
- **Decision made to poll industry again on expected testing levels**
  - Basis for expected TMC revenue
- **Results of second poll were significantly different**
  - Revenue for TMC now expected to be lower

# Revised Forecast as Compared to Original Jan, 2005

Fiscal Year	Net Original*	Net Revised**	Months Reserve Original	Months Reserve Revised
2004	Breakeven	<b>-\$205,293</b>	16.6	<b>15.6</b>
2005	\$4,000	<b>-\$354,000</b>	16.4	<b>12.8</b>
2006	\$9,100	<b>-\$561,000</b>	16.1	<b>9.4</b>
2007	\$14,700	<b>-\$628,000</b>	15.8	<b>5.9</b>

\* Based on August, 2004 Industry Survey

**\*\*Based on January 2005 Industry Survey which resulted in a decreased gross of \$338,018 from the August, 2004 Poll**



# Resulting Approach

- **AGC agreed that action was required**
- **Discussed possible solutions internally and with the TMB Chair**
  - **Additional income streams**
    - » **Challenging in the short term**
  - **Fee adjustments**
    - » **Must consider all other options before fee adjustments**
  - **Reducing costs**
    - » **Considered as most appropriate option and the AGC has requested this be pursued by the TMC.**
- **Special meeting of the TMB was called on 03-31-05 to address the issue**

# **TMB Meeting Results and Action Items**

## **March 31, 2005**

- **TMB agreed that costs should be reduced at the TMC and that a fee increase would be required**
- **Cost reductions at the TMC will be reported by John Zalar in his report**
- **TMB asked the AGC to recommend a fee increase and report at the June meeting**

# **TMB Request**

## **Fee Increase Guidelines**

- **TMB guidelines (General)**
  - **Not more than 30% or less than 20% (note this guidance given when it was expected that the staff would be reduced by three. The staff was actually reduced by four)**
- **TMC provided the AGC with financial projections with fee increases ranging from 17% to 20**

# TMC Data

## Financial Projection Scenario – 20% Fee Increase

Line Item	2005	2006	2007
Salaries	\$816,000	\$784,000	\$808,000
Temporary Help	\$8,000	\$8,200	\$8,400
Benefits (28.62%)	\$236,000	\$229,000	\$239,000
Overhead	\$552,000	\$530,000	\$548,000
Travel	\$68,000	\$70,000	\$71,500
Telephone	\$19,000	\$18,400	\$18,800
Office Supplies	\$12,000	\$12,300	\$12,600
Reference Oils	\$50,000	\$51,000	\$52,000
Capital	\$20,000	\$20,000	\$20,000
Contract Services	\$24,000	\$22,600	\$23,200
Lab Supplies	\$25,000	\$25,500	\$26,000
Training & Education	\$10,000	\$10,200	\$10,400
Procedure Rewrites	\$15,000	\$15,300	\$15,600
Audit	\$22,000	\$22,400	\$22,800
Severance	\$33,000		
<b>Total Expenses</b>	<b>\$1,910,000</b>	<b>\$1,818,900</b>	<b>\$1,876,300</b>
Revenues	\$1,914,000	\$1,920,000	\$1,920,000
<b>Revenue -Expense</b>	<b>\$4,000</b>	<b>\$101,100</b>	<b>\$43,700</b>
Interest	\$20,000	\$20,000	\$20,000
Reserves	\$2,599,000	\$2,720,000	\$2,784,000
Months Reserve	16.3	17.9	17.8
Fee Increases	20%	None	None
New Tests	PC-10		
Reg. FT Headcount	13	13	13

# TMC Data

## Financial Projection Scenario – 19% Fee Increase

Line Item	2005	2006	2007
Salaries	\$816,000	\$784,000	\$808,000
Temporary Help	\$8,000	\$8,200	\$8,400
Benefits (28.62%)	\$236,000	\$229,000	\$239,000
Overhead	\$552,000	\$530,000	\$548,000
Travel	\$68,000	\$70,000	\$71,500
Telephone	\$19,000	\$18,400	\$18,800
Office Supplies	\$12,000	\$12,300	\$12,600
Reference Oils	\$50,000	\$51,000	\$52,000
Capital	\$20,000	\$20,000	\$20,000
Contract Services	\$24,000	\$22,600	\$23,200
Lab Supplies	\$25,000	\$25,500	\$26,000
Training & Education	\$10,000	\$10,200	\$10,400
Procedure Rewrites	\$15,000	\$15,300	\$15,600
Audit	\$22,000	\$22,400	\$22,800
Severance	\$33,000		
<b>Total Expenses</b>	<b>\$1,910,000</b>	<b>\$1,818,900</b>	<b>\$1,876,300</b>
Revenues	\$1,905,300	\$1,904,000	\$1,904,000
<b>Revenue -Expense</b>	<b>(\$4,700)</b>	<b>\$85,100</b>	<b>\$27,700</b>
Interest	\$20,000	\$20,000	\$20,000
Reserves	\$2,590,300	\$2,695,000	\$2,743,000
Months Reserve	16.3	17.8	17.5
Fee Increases	19%	None	None
New Tests	PC-10		
Reg. FT Headcount	13	13	13

# TMC Data

## Financial Projection Scenario – 18% Fee Increase

Line Item	2005	2006	2007
Salaries	\$816,000	\$784,000	\$808,000
Temporary Help	\$8,000	\$8,200	\$8,400
Benefits (28.62%)	\$236,000	\$229,000	\$239,000
Overhead	\$552,000	\$530,000	\$548,000
Travel	\$68,000	\$70,000	\$71,500
Telephone	\$19,000	\$18,400	\$18,800
Office Supplies	\$12,000	\$12,300	\$12,600
Reference Oils	\$50,000	\$51,000	\$52,000
Capital	\$20,000	\$20,000	\$20,000
Contract Services	\$24,000	\$22,600	\$23,200
Lab Supplies	\$25,000	\$25,500	\$26,000
Training & Education	\$10,000	\$10,200	\$10,400
Procedure Rewrites	\$15,000	\$15,300	\$15,600
Audit	\$22,000	\$22,400	\$22,800
Severance	\$33,000		
<b>Total Expenses</b>	<b>\$1,910,000</b>	<b>\$1,818,900</b>	<b>\$1,876,300</b>
Revenues	\$1,896,600	\$1,888,000	\$1,888,000
<b>Revenue -Expense</b>	<b>(\$13,400)</b>	<b>\$69,100</b>	<b>\$11,700</b>
Interest	\$20,000	\$20,000	\$20,000
Reserves	\$2,581,600	\$2,671,000	\$2,703,000
Months Reserve	16.2	17.6	17.3
Fee Increases	18%	None	None
New Tests	PC-10		
Reg. FT Headcount	13	13	13

# TMC Data

## Financial Projection Scenario – 17% Fee Increase

Line Item	2005	2006	2007
Salaries	\$816,000	\$784,000	\$808,000
Temporary Help	\$8,000	\$8,200	\$8,400
Benefits (28.62%)	\$236,000	\$229,000	\$239,000
Overhead	\$552,000	\$530,000	\$548,000
Travel	\$68,000	\$70,000	\$71,500
Telephone	\$19,000	\$18,400	\$18,800
Office Supplies	\$12,000	\$12,300	\$12,600
Reference Oils	\$50,000	\$51,000	\$52,000
Capital	\$20,000	\$20,000	\$20,000
Contract Services	\$24,000	\$22,600	\$23,200
Lab Supplies	\$25,000	\$25,500	\$26,000
Training & Education	\$10,000	\$10,200	\$10,400
Procedure Rewrites	\$15,000	\$15,300	\$15,600
Audit	\$22,000	\$22,400	\$22,800
Severance	\$33,000		
<b>Total Expenses</b>	<b>\$1,910,000</b>	<b>\$1,818,900</b>	<b>\$1,876,300</b>
Revenues	\$1,887,900	\$1,872,000	\$1,872,000
<b>Revenue-Expense</b>	<b>(\$22,100)</b>	<b>\$53,100</b>	<b>(\$4,300)</b>
Interest	\$20,000	\$20,000	\$20,000
Reserves	\$2,572,900	\$2,646,000	\$2,662,000
Months Reserve	16.2	17.5	17.0
Fee Increases	17%	None	None
New Tests	PC-10		
Reg. FT Headcount	13	13	13

# AGC Review

## Forecast Net Comparison

TMC	Aug 04*		Jan 05**		Jun 05***	
Fiscal		Months		Months		Months
Year	Net	Reserve	Net	Reserve	Net	Reserve
2005	\$4,000	16.4	-\$354,000	12.8	-\$22,100	16.2
2006	\$9,100	16.1	-\$561,000	9.4	\$53,100	17.5
2007	\$14,700	15.8	-\$628,000	5.9	-\$4,300	17.0

\* Original Forecast

\*\* Revised forecast based on new industry survey

\*\*\* Revised forecast based on reduction in staff of 4 and fee increase of 17%



# **AGC Recommendation**

## **Fee Increase**

- **The AGC unanimously agreed to recommend to the TMB a fee increase of 17% to become effective August 1, 2005**
  - This fee increase will be applied to all services provided by the TMC
- **AGC is recommending one exception**
  - PC-10 matrix tests to be exempted and charged at the current TMC fee rate.

# **AGC Semi-annual Report**

## **Additional Revenue Streams**

- **Nothing to report.**

# **AGC Semi-annual Report**

## **Action Items**

- **Approval of this report**
  - Change in Chair
  - New member from SwRI
- **Approval of the AGC recommendation for a TMC fee increase**
  - Fee increase of **17%** to become effective August 1, 2005
  - Applies to all fees charged by the TMC
  - PC-10 matrix testing is exempted

**ASTM Technical Guidance Committee**  
**June 20, 2005**

- The TGC did not meet during the last 6 months but did have one successful e-mail ballot regarding the ASTM LTMS document. LTMS Appendix G **“Guidelines for developing reference oil targets and severity adjustments standard deviations – B.01 & B.02 tests”** was approved and issued.
- The current TGC chairman, Gordon Farnsworth, is stepping down due to retirement. His replacement is William Buscher III.

Contact information for the new chairman is:

William Buscher III  
Southwest Research Inst.  
6220 Culebra Road  
P.O. Drawer 28510  
San Antonio, Texas 78228-0510

Tel: 210-522-6802 or Cell 210-240-8990

Fax: 210-684-7523

Email: [William.buscher@swri.org](mailto:William.buscher@swri.org)



## Test Monitoring Center

6555 Penn Avenue  
Pittsburgh, PA 15206-4489  
(412) 365-1000

MEMORANDUM: 05-049

DATE: June 7, 2005

TO: Mr. Gordon Farnsworth, ASTM Test Monitoring Board Chairman

FROM: Frank M. Farber

SUBJECT: Data Communications Committee Report

The Data Communications Committee (DCC) has not met since the December 2004 ASTM meetings.

- At the present time, the only DCC objective is to beta test all report packet revisions.
- Action Items: None at this time.

Future meeting schedule: None planned (Chairman will determine need to meet)

FMF/fmf

c: J. L. Zalar

[ftp://ftp.astmtmc.cmu.edu/docs/Data\\_Communications\\_Committee/tmb\\_reports/astm\\_200506.pdf](ftp://ftp.astmtmc.cmu.edu/docs/Data_Communications_Committee/tmb_reports/astm_200506.pdf)



## Test Monitoring Center

6555 Penn Avenue  
Pittsburgh, PA 15206-4489  
(412) 365-1000

## Attachment E

MEMORANDUM: 05-027  
DATE: May 20, 2005  
TO: ASTM Test Monitoring Board  
FROM: John L. Zalar  
SUBJECT: ASTM TMC Semiannual Report

### ADMINISTRATIVE/FINANCIAL

The TMC financial audit for the period February 1, 2004 through January 31, 2005 was completed in April by Deloitte & Touche. The outcome of the audit was favorable. A copy of the audit report has been electronically distributed to the Test Monitoring Board mailing list. The current financial status of the TMC as well as revised forecasts for 2005 through 2007 will be part of the Administrative Guidance Committee report.

There have been several personnel changes during the past six months. As a result of action taken by the TMB at their special meeting on March 31, 2005, TMC staffing was reduced by three positions. The three positions eliminated were the Administrative Coordinator (Winsome Ho), a Programmer/Analyst (Tim Farley), and one Staff Engineer (Mike Kasimirsky). In an unrelated development, one of our warehousemen, Bryan Matrazzo, resigned to accept another position at Carnegie Mellon University. Bryan has been pursuing a degree in business administration and his new position is a better opportunity that more closely matches his field of study. The TMC now has thirteen full-time employees. The revised organizational chart is shown in Attachment A.

Work tasks previously performed by the Administrative Coordinator, Programmer/Analyst, and Warehouseman have been redistributed to multiple staff members. The loss of one staff engineer has necessitated some reassignment of test area responsibilities. Richard Grundza is now responsible for all gasoline engine tests. Several bench test methods previously handled by Richard have been transferred to Scott Parke. Current test area assignments are shown below.

Jeff Clark: M11, M11EGR, ISB, ISM, T-8/T-8E, T-10, T-10A, T-11, T-12, C13, 6V92TA, RFWT, EOAT, CBT, HTCBT  
Rich Grundza: IIIF/IIIG, IVA, VG, VIB, VIII, Two-Stroke(Lubricity, Tightening, Preignition)  
Don Lind: L-33-1, L-37, L-42, L-60-1, HTCT, OSCT  
Scott Parke: 1K/1N, 1P, 1R, 1M-PC, BRT, EOFT, EOWT, EOEC  
Tom Schofield: D5800, D6417, High Temperature Foam, GI, TEOST, TEOST MHT-4

## INFORMATION LETTERS

Information letter activity has been very high. The following 25 information letters have been issued by the TMC since the last report.

<u>Information Letter</u>	<u>Date Issued</u>
Sequence IIIF No. 04-3	11/4/04
Sequence IIIF No. 05-1	1/3/05
Sequence IIIG No. 04-3	11/4/04
Sequence IIIG No. 05-1	1/4/05
Sequence IVA No. 05-1	1/7/05
Sequence VG No. 04-4	12/14/04
Sequence VIB No. 04-4	11/15/04
Sequence VIB No. 04-5	12/14/04
Sequence VIII No. 04-1	12/9/04
1M-PC No. 05-1	3/21/05
1K/1N No. 05-1	3/21/05
1P No. 05-1	3/21/05
1R No. 05-1	3/21/05
T-8 No. 05-1	1/17/05
T-10 No. 04-5	12/9/04
T-10 No. 05-1	1/17/05
L-33-1 No. 05-1	2/21/05
L-37 No. 04-3	12/2/04
L-37 No. 05-1	2/18/05
L-42 No. 04-1	12/10/04
L-42 No. 05-1	2/21/05
L-60-1 No. 05-1	2/25/05
HTCT No. 04-1	11/18/04
HTCT No. 05-1	2/21/05
HTCBT No. 05-1	1/7/05

All of these letters are on the Spring Subcommittee B information letter ballot. The results of the ballot will be reported at the TMB meeting on June 20, 2005.

## TMC SUPPORT FOR PC-10

Work continues in support of the PC-10 diesel engine oil category. TMC involvement includes leading the laboratory inspection team, handling matrix oils (verification, storage, and distribution), developing data dictionaries and report forms, test procedure writing, reviewing and verifying validity of matrix tests, web site posting of matrix data, and overall matrix project supervision and reporting.

## SEQUENCE VIB CALIBRATION OILS – BATCH 6 BLEND

This project is completed. BC-6 and BCFHD-6 have been analytically verified, BC-6 has been engine tested, and both products have been approved for use in the Sequence VIB test.

**NEW REFERENCE OILS**

The following reference oils were received and processed by the TMC during the period from November 1, 2004 to April 30, 2005.

<u>Test Type</u>	<u>Oil Code</u>	<u>Quantity (gallons)</u>
HTCBT	44	10
VIB	BC-6	1760
VIB	BCFHD-6	770
C13	PC10A	330
C13, T-12, ISB	PC10B	1414
C13	PC10C	330
C13	PC10D	322
C13, T-12, ISB	PC10E	1537
C13	PC10F	318
C13	PC10G	328
L-42	116	165
L-42	116-1	165

During this same time period, the TMC made 247 shipments of reference oils containing a total of 1,855 individual oil samples.

**CALIBRATION TEST REPORTING**

During the period from November 1, 2004 to April 30, 2005, 1533 calibration tests were reported to the TMC. Also, during this same period, 96% of all tests reported to the TMC were transmitted electronically.

JLZ/jlz

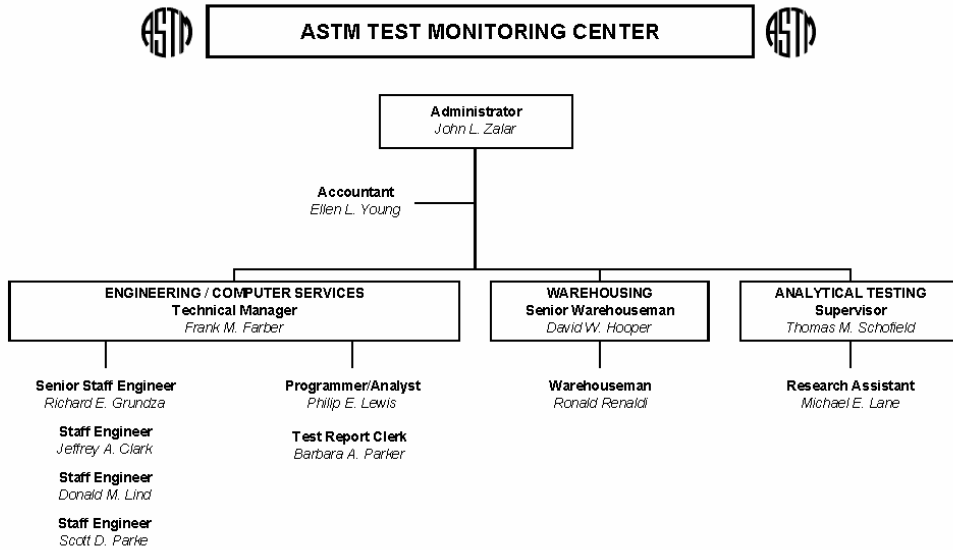
Attachment

c: [ftp://ftp.astmtmc.cmu.edu/docs/test\\_monitoring\\_board/TMC-6-2005.pdf](ftp://ftp.astmtmc.cmu.edu/docs/test_monitoring_board/TMC-6-2005.pdf)

Distribution: Email



# Attachment A



**D02.B BALLOT RESULTS**  
(Ballot 05-02)

<b>TMC Information Letters</b> <b>Closing Date: May 25, 2005</b>
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**Ballot Responses**

Return (Voting Members Only) = 34/48 (71%)

	Approve	Disapprove	Abstain
<u><b>TMC Information Letters</b></u>			
1. Sequence IIIF Letter No. 04-3	49	0	32
2. Sequence IIIF Letter No. 05-1	49	0	32
3. Sequence IIIG Letter No. 04-3	49	0	32
4. Sequence IIIG Letter No. 05-1	49	0	32
5. Sequence IVA Letter No. 05-1	48	0	33
6. Sequence VG Letter No. 04-4	47	0	34
7. Sequence VIB Letter No. 04-4	48	0	33
8. Sequence VIB Letter No. 04-5	48	0	33
9. Sequence VIII Letter No. 04-1	47	0	34
10. 1M-PC Letter No. 05-1	45	0	36
11. 1K/1N Letter No. 05-1	46	0	35
12. 1P Letter No. 05-1	46	0	35
13. 1R Letter No. 05-1	46	0	35
14. T-8 Letter No. 05-1	47	0	34
15. T-10 Letter No. 04-5	47	0	34
16. T-10 Letter No. 05-1	47	0	34
17. L-33-1 Letter No. 05-1	48	0	33
18. L-37 Letter No. 04-3	48	0	33
19. L-37 Letter No. 05-1	48	0	33
20. L-42 Letter No. 04-1	48	0	33
21. L-42 Letter No. 05-1	48	0	33
22. L-60-1 Letter No. 05-1	48	0	33
23. HTCT Letter No. 04-1	46	0	35
24. HTCT Letter No. 05-1	45	0	36
25. HTCBT Letter No. 05-1	48	0	33

**Comments**

None

# Attachment G

## Section D02.B0.08 Report to Subcommittee D02.B0 – June 22, 2005

The Test Monitoring Board has met twice during the past six months. On March 31, 2005, a special meeting of voting TMB members was held in Chicago, Illinois to address updated TMC budget forecasts for 2005, 2006, and 2007. TMC financial performance during the fourth quarter of 2004 indicated a significant drop in revenue. There was concern that the forecasts for 2005, 2006, and 2007, originally developed in August 2004, would not be met. In January 2005, the Administrative Guidance Committee asked the TMC to poll the testing laboratories for updated reference testing estimates for 2005. The results of this poll showed a significant reduction in the number of reference tests projected for 2005, primarily for gasoline engine tests. The revised forecasts for 2005, 2006, and 2007 showed large and increasing shortfalls over this period, as well as erosion of TMC reserve funds.

The TMB discussed the revised forecasts and agreed that they were reasonable based on anticipated industry testing activity for the period 2005 through 2007. It was further agreed that, at the present time, there are no known events or requirements that would cause a significant increase in testing over the next three years, given that the impact of the new PC-10 category had already been factored into the revised forecasts.

There was extensive discussion of potential actions to resolve the TMC expense/revenue imbalance. Consideration was given to each of the following solutions:

1. Continue to absorb the imbalance via further reductions in TMC reserve funds.
2. Increase reference test fees.
3. Reduce TMC staff.
4. Combinations of the above.

An action plan was developed and unanimously approved by the TMB. The plan called for a reduction in TMC staff by three positions and an increase in reference fees as needed to balance TMC budgets through 2007. At the time, it was expected that the fee increase would be a minimum of 20% and a maximum of 30%. The AGC was charged with recommending to TMB the percentage fee increase that would be needed to balance the TMC budgets through 2007.

John Zalar carried out the staff reductions on April 1, 2005 in accordance with all relevant Carnegie Mellon University policies. In an unrelated event, a TMC warehouseman resigned to accept a new position at Carnegie Mellon University.

The TMB held its regular semiannual meeting on June 20, 2005. The AGC report included a review of the TMC financial forecasts that led to the TMB actions of March 31, 2005. An assessment of the fee increase needed to balance the TMC budgets through 2007 resulted in a recommendation from the AGC to increase TMC fees by 17%, effective August 1, 2005. The AGC further recommended that PC-10 matrix tests be exempt from the fee increase, since the current TMC fees were used to develop matrix test pricing. After much discussion, the TMB passed a motion to increase TMC fees by 18%, except for PC-10 matrix tests which would be charged at the current rates.

Walter Groff has stepped down as AGC chairman and has been replaced by Tom Cousineau. Ben Weber will represent Southwest Research on the AGC.

The Technical Guidance Committee completed a successful email ballot resulting in a new LTMS Appendix G entitled “Guidelines for developing reference oil targets and severity adjustment standard deviations – B01 & B02 tests.”

Gordon Farnsworth has stepped down as TGC chairman and has been replaced by William Buscher III.

The Data Communications Committee continues its efforts to beta test all report packet revisions.

John Zalar reported on the recent staff reductions and the resulting impacts on the remaining staff (13), including revised test area assignments among the TMC engineers. The TMC issued 25 information letters during the past six months. All the letters passed a recent Subcommittee B ballot (05-2) with no disapproves and no comments. The TMC continues to provide support for the PC-10 category development, including lab inspections, handling matrix oils, developing data dictionaries and report forms, test procedure writing, reviewing matrix tests, web site posting of test data, and overall matrix project supervision and reporting.

Under new business, Tom Cousineau suggested that consideration be given to amending the *Regulations Governing the ASTM Test Monitoring System* to allow voting members of the TMB to serve up to four consecutive two-year terms instead of three. After some discussion, the TMB passed a motion to ask Subcommittee B to ballot this proposed change.

#### **Action Items for Subcommittee B:**

- 1. The TMB recommends that TMC fees be increased by 18% effective August 1, 2005 and that PC-10 matrix tests be exempt from the fee increase.**
- 2. The TMB requests that Subcommittee B issue a ballot to amend the *Regulations Governing the ASTM Test Monitoring System* to allow voting members of the TMB to serve up to four consecutive two-year terms.**

Gordon Farnsworth, Chairman  
Section D02.B0.08 - ASTM Test Monitoring Board