

**American Risk and Insurance Association
Board of Directors Meeting
Sunday, August 6, 2006
Washington, DC**

I. Opening

1. Call to Order

- ARIA's Annual Meeting Board of Directors meeting was called to order by its President, Larry Cox, at 8:08 AM.
- **Board Members Present**
 - Larry Cox, Jim Garven, Mary Weiss, Jim Carson, Terri Vaughan, Vickie Bajetelsmit, Don Rebele, Debbie Babcock
- **Board Members Absent**
 - Gene Lai, Richard MacMinn
- **Others Present**
 - Pat Brockett, Georges Dionne, Amanda Chaloupka, Jeanne Braun, Jennifer Smith, Tony Biacchi, Anne Kleffner, Richard Derrig, Steve Weisbart

2. Approval of Minutes

- Vickie motioned to approve minutes from the Mid-year Board meeting of Friday, January 20, 2006.
- Terri offered a second and the motion carried with no opposition.

3. Approval of Electronic Votes

- Four electronic votes were conducted by the Board since the mid-year meeting. The Board voted to:
 - Approve archiving JRI journal articles through JSTOR. This cost will approach \$1,500. Larry authorized Tony to take the next step. Because of concern for costs associated with the annual meeting, arrangements with JSTOR are delayed until finances for the annual meeting are reconciled. This vote was motioned by Richard.
 - Approve extending four complimentary annual meeting registrations to Pat Brockett as editor of the JRI. Richard motioned approval of this action; Gene offered a seconded. The future of complimentary annual meeting registrations for in-kind sponsors should be discussed.
 - Approve a journal price increase of 6 percent as suggested by Blackwell. Tony acted on behalf of Blackwell to present the proposed increase to the Board.
 - Approve Georges Dionne to assume the position of JRI editor beginning January 1, 2007.
- Larry asked the Board to acknowledge its approval of the electronic votes. The four electronic votes were confirmed by acclamation.

II. Corporate Finance and Institutional Sponsorship

1. World Risk and Insurance Economics Congress

- \$21,051.54 remains in the WRIEC checking account.
- Tony asked Jean Kwon to identify the person to whom the funds can be transferred so the monies can be placed in an investment vehicle until the 2010 meeting rather than having the funds remaining in a check account.
- Jean has not responded to the request. Tony again will contact Jean after the annual meeting.

2. ARIA Finances

- The audit required that the balance statement include funds from the WRIEC. As a result ARIA's current financial position is overestimated.
- ARIA's current cash position is much less than the June 30 income statement since the organization was required to provide the Capital Hilton an advanced payment of \$80,000.
- A \$4,462 advanced payment was made to Loews Le Concorde Hotel in Quebec City Canada to secure space for the 2008 annual meeting.
- \$10,030.07 was withdrawn from operating funds to establish a restricted investment fund in Vanguard Prime Money Market Funds for Risk Theory Society money which ARIA holds for that organization.
- Since Risk Theory Society money was previously held in the operating budget, a corresponding amount will be withdrawn from ARIA's unrestricted investment portfolio and placed in the checking account.

3. ARIA's Audit Report

- The auditor reported that ARIA's books are in good condition but still offered several recommendations.
 - A second set of eyes should review ARIA checks, and investments.
 - Don agreed to serve as that set of eyes. Mary also will receive a copy.
 - ARIA has not rebalanced its investment portfolio for a number of years.
 - Mary, as head of the finance committee, will assume that responsibility.
 - Don will share guidelines used by the Griffith Foundation.
 - Some of ARIA's financial data are grossed up.
 - This observation relates primarily to Blackwell's financial data.
 - This information should be more specific.
 - Tony will ask Blackwell to provide more specific financial information.
- Jim Garven asked Board members for their perception of ARIA's finances compared to similar professional organizations.
- Vickie replied that ARIA looks much better than the several organizations that are familiar to her.

5. ARIA's Investment Portfolio

- ARIA's portfolio is invested in both restricted and unrestricted investment vehicles.

- Total value of the portfolio at the end of June 2006 was \$197,407.64.
- Included in that amount is \$142,362.04 in unrestricted funds and \$55,045.60 in restricted funds.
- During 2005, \$10,030.07 was withdrawn from operating expenses to purchase a restricted money market fund that reflects monies ARIA holds for the Risk Theory Society.
- The portfolio's financial results as of June 30, 2006 were:

Unrestricted Funds

TIAA-CREF

Fund	Deposits	Value	Asset Allocation
○ Growth Equity		\$16,184.63	11.37%
○ Managed Allocation		\$63,561.58	44.65%
○ Bond Plus		\$15,488.88	10.85%
○ Money Market		\$14,737.62	10.35%

TIAA-CREF Total **\$109,932.71**

Vanguard Fund

○ Wellington		\$32,429.33	22.78%
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Value Unrestricted Portfolio **\$142,362.04**
2006 Gain (Loss) minus deposits **\$2,283.42**

Restricted Funds

Hedges Scholarship Fund

○ Vanguard. Intermediate Bonds		\$22,301.64
2006 Gain (Loss) minus withdrawals		(\$282.42)

Strickler Education Award

○ Fidelity Equity Income		\$10,375.81
○ Fidelity Investment Bonds		\$12,258.08
		\$22,633.89

2006 Gain (Loss minus withdrawals) **\$737.91**

Risk Theory Society

○ Vanguard Prime Money Market		\$10,110.07
2006 Gain (Loss) minus withdrawals		\$80.00

Value of Restricted Portfolio **\$55,045.60**

6. Institutional Sponsorship Committee

- Bill Rabel heads the committee.
- ARIA's institutional (industry) support has dwindled in recent years. In an effort to rekindle industry support, an Institutional Relations Committee (IRC) was formed in early 2005 and headed by Bill Rabel.
- Bill's report was divided into a report on achievements in 2005 and a request for actions.
- **Achievements in 2005 follow:**
- A six page brochure was developed that contained four pages of "timeless" marketing material and a two page stuffer that contained annual changes.
- Where possible, the relationship between ARIA and sponsors are being managed by a person who has a relationship with that sponsor. These relationships are intended to continue from year to year.
- ARIA's membership was asked to recommend potential sponsors. Only two members responded. No sponsorships resulted.
- Committee members mailed solicitation letters to two dozen potential sponsors in December 2005.
- Committee members mailed about two dozen more letters in June 2006. Only one new Bronze sponsor resulted (IMSA).
- The committee will evaluate the menu of options concerning the way institutions can collaborate with ARIA to determine if support can be rationalized further.
- The committee expressed concern over the lack of progress in recruiting sponsors that are not academic institutions. Furthermore, the report noted that a higher percentage of contributions are "in kind" than in the past. Although "in kind" contributions may be even more valuable than cash, the resource has limited flexibility.
- The report noted that all is not bleak. ARIA receives excellent support from some institutional members that are not universities, including the American Institute for CPCU and the Griffith Foundation. In addition, the RMIR has become the official publication of the Society for Insurance Research.
- **Recommendations to ARIA Board of Directors:**
- Accept the Institutional Relations Committee's mission.
- The Mission reads: To advise the ARIA Board on policies and procedures that will develop and continually enhance the relationship between ARIA and institutions pertaining to Risk Management & Insurance such as insurance companies, producers, regulators, consulting firms, trade associations, professional education organizations, etc. Members of the committee serve in a diplomatic capacity, building bridges between ARIA and pertinent institutions to achieve the following: (1) fundraising, (2) membership, (3) participation in ARIA activities.
 - ARIA's Board accepted the IRC's mission statement at its January meeting.

- In addition, the IRC asked ARIA's Board to define the relationship it would like to have with the risk management and insurance industry and the role the Board would like industry to play in ARIA.
 - This matter will be addressed during the strategic planning session.
- The IRC expressed concern with the membership's lack of suggestions for potential institutional sponsors. The IRC suggested that one seemingly rich source of support should be successful graduates (especially MBAs and Ph.D.s) of RM&I programs.
- The IRC report asked the Board to evaluate the question of whether the interests of individual schools as personified in ARIA are contrary to the interests of the whole of RM&I. If those interests are viewed by members to be in conflict, then where will ARIA sponsors come from?
 - Vicki pointed out a conflict that colleges target former students for support of their particular university.
 - Steve opined that ARIA has lost personal contact with the industry.
 - Richard noted that ARIA has lost contact with actuaries, but the Casualty Actuarial Society still collaborates with ARIA to offer the CAS Award.
 - Do some in RMI view ARIA as irrelevant?
 - Debbie asked if Board members attend RIMS meetings. Some Board members do attend. Would RIMS support more involvement with academia?
 - Jim Garven noted that some RIMS chapters are involved with colleges.
 - Maybe RIMS members would be interested in attending ARIA if we provided sessions relevant to their areas of interest.
 - Larry indicated that ARIA must reach out more.
 - ARIA is concerned that industry does not have as much discretionary money as in the past and money is being contributed where it receives the greatest bang for the buck.
 - Don indicated that the Griffith Foundation is very happy in its relationship with ARIA.
- The IRC asks the ARIA Board to set a policy concerning endowments. Over the years Board sympathies have leaned both toward and against asking for endowment funds.
 - The Board will accept any contribution or endowment.
 - The Board is discussing collaborative activities with the Griffith Foundation and also will explore avenues of collaboration with Jeanne Braun, Chairwoman of the Spencer Foundation.
 - A specific discussion about endowment policies was deferred to a later time. Possibly a Business Advisory Board can be established.
 - At this point Debbie brought up the confusion between institutional and meeting sponsors.
 - Essentially institutional sponsors benefit the organization as a whole. Meeting sponsors provide financial support specifically for meetings and usually are recognized for sponsoring a specific event.
 - However, there is a concern that institutional sponsors receive a bang for their buck that results from complimentary meeting registrations.

- The IRC proposes that the Board adopt a policy under which at least one plenary session at each annual meeting be dedicated to programs by high-level representatives from the industry and regulation.
 - The Board looked favorably on this suggestion.
- The IRC urges the ARIA Board to complete the strategic planning process as quickly as possible, especially the portion that relates to ARIA's relationship with the industry. While unquestionably ARIA should continue its emphasis on research and education at the university level, the IRC committee unanimously believes that success in ARIA's mission depends on the support of companies and institutions from the industry.

III Membership Services

1. Nominations

- Jim Carson chaired the Nominations Committee.
- Committee members sent nominations to the chair. In addition, a listserv was distributed in early January inviting ARIA members to submit nominations.
- From these combined nominations, the committee developed a slate for the Board to review and approve.
- The Board approved the slate in early February. The person elected to each office is identified with a "*" following the name.
 - President-Elect
 - Mary Weiss, Temple University*
 - Vice President
 - Richard MacMinn, Illinois State University
 - Terri Vaughan, Drake University*
 - Board Seat (term to 2007)
 - Don Rebele, The Griffith Foundation
 - Steve Weisbart, Insurance Information Institute*
 - Board Seat 1 (term to 2009)
 - Patty Born, California State University, Northridge
 - Anne Kleffner, University of Calgary*
 - Board Seat 2 (term to 2009)
 - Richard Derrig, Opal Consulting*
 - George Zanjani, Federal Reserve Bank of NY
 - Note, the President's position to be held by Jim Garven, technically is not part of the slate.
 - Also, the seat for 2007 was for a term of one year, which fills the Director's position formerly held by Simon Ashby, but which became vacant in June 2005. Don Rebele, with Board approval, filled that position until the current election.
- While not discussed during the meeting, an amendment to the By-Laws will be presented to the general membership at Monday's meeting. With Board approval, the amendment will permit the executive office to use means other than, or in addition to the US mail, to solicit votes from ARIA members.

2. Report from Blackwell Publishing

- Blackwell prepared a year 2005 publisher's report for ARIA. The final report was distributed in April 2006. The executive summary of the report noted that:
 - The number of libraries and personal subscribers with access to JRI and RMIR increased significantly during 2005.
 - In 2005, 1,746 institutions bought the Blackwell Collection via consortia deals and provided access to the online version of the journals. In comparison, 1,187 library consortia sites offered access in 2004.
 - 642 institutions subscribed to JRI in 2005, compared to 685 in 2004 – representing an industry average annual renewal rate of 94 percent. 48 institutions subscribed to RMIR in 2005, compared to 32 in 2004.
 - 465 ARIA members received journals in 2005 compared to 488 in 2004 (95 percent renewal).
 - JRI articles were downloaded 95,664 times through Blackwell *Synergy* and other online hosts. This count represented a 49 percent increase when compared with 64,296 downloads in 2004.
 - In addition, the overall circulation of JRI increased by 21 percent, from 2,360 to 2,853 and RMIR's overall circulation increased by 31 percent, from 1,707 to 2,259.
- Online readership of both JRI and RMIR increased significantly in 2005.
 - JRI increased from 63,296 to 95,664.
 - RMIR increased from 7,854 to 9,414.
- Blackwell continues to market JRI and RMIR to conferences attended by academic institutions.
- As a result of royalties, membership, and subscriptions, ARIA received revenues totaling \$125,802.
 - \$40,615 for editorial stipends
 - \$42,000 for membership revenue
 - \$43,187 surplus
- Amanda reminded the journal editors that copyright forms are very important. The form probably should accompany the author's acceptance letter.
- Blackwell is willing to share information about its Scholar One editorial database. Pat mentioned having looked at Scholar One prior to developing the JRI editorial database. The high cost was a disincentive.
- Amanda replied that cost has been reduced.
- Amanda noted that Blackwell conducts an executive seminar for editors and publishers. Attendance might be of interest to the editors of ARIA's two journals.
- Blackwell also employs editors who are competent in various foreign languages. This service might be of interest to international authors.
- The executive office will look into the foreign language service about and circulate information through a listserv message. The information also could be provided on the JRI website.

3. Membership

- Kathleen McCullough heads the membership committee.
- The committee set two goals for the year:
 - To analyze ARIA, Western Risk, and Southern Risk membership data from the last several years in order to identify trends in the membership
 - To develop a list of recommendations that might enhance the value of ARIA membership
- The committee gathered and analyzed the following data:
 - ARIA membership and program participation data from 2000 – 2005
 - SRIA membership and program participation data from 2001– 2005
 - WRIA membership and program participation data from 2003 – 2005
 - RTS membership data from 2003 – 2005
 - Listings of authors publishing in the *Journal of Risk and Insurance*, the *Risk Management and Insurance Review*, the *Journal of Insurance Regulation*, the *Journal of Insurance Issues*, and the *CPCU eJournal* from 2000 – 2005
 - Listings of RMI graduates from doctoral programs for recent years from several universities.
- Based on the data, the following recommendations were made.
 - A better analysis of the characteristics of the one-year members. Are these just individuals who are submitting articles for publication in the *Journal of Risk and Insurance*? A better understanding may lead to a higher retention rate for this group.
 - Survey current membership to revisit what is valued about the organization and what the organization can do to better serve the members.
- Suggestions to improve membership retention include:
 - Mentorship and special seminars for doctoral students and new faculty.
 - Assistance for faculty charged with creating and/or running an RMI program at their university.
 - Enhanced programs and presentations that may be of interest to industry professionals.
 - Improved teaching and pedagogical resources for RMI faculty.
- Suggestions for future activities include:
 - Continued coordination with SRIA, WRIA, and RTS to maintain and potentially increase the percentage of members in those organizations that also are ARIA members.
 - Survey former non-academic members in an effort to better understand both why they initially joined the organization as well as why they no longer are members.
- Some of the actions the Board will undertake as a result of the report follow.
 - Mary will investigate RMIR authors who were members of ARIA for only one year. Currently, at least one author of a submission must be an ARIA member. Otherwise one author must pay a submission fee of \$120 which is used to join ARIA.
 - Vickie established a mentoring system for the current meeting. First time attendees are matched with experienced ARIA members. Vickie will survey participants following the annual meeting.

- Debbie will work with Tony to review a welcome letter to new ARIA members.
- Other recommendations of the membership committee will be explored as part of strategic planning.
- The Board was very impressed with the amount of detail provided in the Membership Committee's report.

4. Web Oversight Committee

- Chad Garven was hired as ARIA's webmaster in March 2006.
- Chad previously managed the redesign of ARIA's website.
- Chad's activities are reported monthly to the executive office.
- A redesign of some of the functionalities of the website continues.
- ARIA listserv messages were achieved to the website.
- Direct links between ARIA's website and the membership database has been established. The links can be found in the "Members" submenu (where it is listed as "Member Login), as well as on the "Journals published by ARIA" web page located at <http://www.airia.org/journals.htm>.
- Three different backup copies of the live site are maintained.
- In addition, regular housekeeping tasks are conducted, such as the removal of dated job postings and expired call for paper announcements.
- Suggestions and request about the website are received through aria.webmaster@gmail.com.
- The webmaster also receives update information and instructions through the executive office.

5. ARIA Newsletter

- Diana Lee serves as newsletter editor.
- The 12 page spring 2005 issue was completed and distributed in April and posted on the ARIA website shortly thereafter.
- Preparations are underway for the fall edition which likely will continue the 12 page format. The target date is October.
- Articles planned for the fall edition will focus on: the 2006 annual meeting and award winners, a message from ARIA's president Jim Garven, a JRI retrospective by the journal editors, articles by Bill Ferguson and Steve Weisbart, and a profile on an ARIA member.
- Other items in the newsletter will include information about the 2007 meeting in Quebec City, Canada, personal notes about members, activities of sister organizations, and various job postings.

6. Placement

- Anne Kleffner heads the Placement Committee.
- Placement is intended to provide information to those looking for academic/research positions and to those organizations looking to fill a position.
- Two new resumes were posted on ARIA's website since the January meeting.
- During 2005 eleven academic/research positions were posted.

- Ten postings were removed either because the position was filled or funding for the position was not forthcoming.
- Twelve non-research/academic postings were rejected because they did not meet requirements.
- Some members might be interested in non academic positions and accepting such announcements could generate good will and foster institutional sponsorship from the industry.
- To that end Anne asked the Board to consider changing the wording that guides current job postings on ARIA's website.
- The current wording reads: As a service to its members, ARIA provides this webpage to serve as a clearinghouse for job and career opportunities at academic, research, and professional institutions around the world geared toward individuals holding a PhD. Related to risk management, insurance, and actuarial science."
- The Board empowered Anne to use her judgment with respect to the current wording.

IV Scholarship Activities

1. JRI

- Pat Brockett, one of the JRI editors, presented the report.
- The ARIA and JRI websites have been moved to a commercial server. The executive office has assumed the maintenance fees for these two sites.
- A web page intended to recognize Witt and Mehr Award recipients has been added to the JRI site.
- Submissions have increased and, correspondingly, page budgets have been increased to reduce the backlog of accepted articles.
- Currently, there is a backlog of two to three issues.
- The September issue of the JRI will deal with reinsurance and the December issue will focus on papers presented at the Second Longevity Risk Conference.
- Pat mentioned that readership improves when a journal issue focuses on a specific topic.
- The editorial database continues to undergo improvements. Reviewer profiles are now possible.
- Pat also provided data that supports JRI becoming an international journal with respect to readership and article submissions.
- "The JRI appears to be firmly established as the premier academic journal in risk management and insurance in the world as documented by published journal stature evaluation and impact articles."
- The Board applauded Pat and Richard MacMinn, who is in the Far East, for their three terms of commitment and work with the JRI.
- Georges Dionne will assume the position of JRI editor in January 2007.

2. RMIR

- Mary Weiss serves as editor of RMIR.
- The report provided data about submission records and editorial decisions.
- Median turnaround for a submission is 74.5 days.
- A call for papers was distributed over ARIA's listserv and was provided to Blackwell for advertising purposes.
- Future plans call for publishing proceeding of plenary sessions from the 2006 annual meeting including:
 - Health Insurance Tax Neutrality, Health Savings Accounts, and Middle Class Cost Containment
 - Current Developments in Regulatory Capital
 - The Future of Social Security, Medicare, and Medicaid
 - Operational Risk in Banks and Insurers.
- In addition, Mary plans to publish portions for a forthcoming Enterprise Risk Management Symposium organized by the Griffith Foundation.
- A more comprehensive database that links RMIR reviewers and their performance is desirable.
- Pat mentioned that the JRI editorial database probably could be modified to accommodate RMIR's needs. Richard could speak with more detail on this topic.
- An RMIR web page similar to the JRI also is desirable. The site could post older volumes of RMIR, a list of award winners, and the semi-annual editor's report.
- Larry asked about the industry's interest in RMIR. Don suggested that RMIR might be the journal that increases the industry's involvement in ARIA.
- Because there always is a backlog between an article's acceptance and its publication, names of accepted articles could be posted on ARIA's website.

4. 2006 Annual Meeting

- Mary Weiss is program chair for this year's annual meeting.
- A Call for Papers was published in the fall and early winter issues of several insurance-related journals. The Call also was placed on ARIA's website.
- New items for the 2006 meeting are:
 - A workshop on research grant writing
 - Semi-plenary status for the Strickler Award
 - Authors were encouraged to submit full papers or proposals.
 - A call for Organized Concurrent Sessions which will allow an organizer to arrange a concurrent session around a specific topic.
- Mary reported the following figures:
 - 130 proposals received
 - 4 reviews for each proposal
 - 73 proposals accepted
 - 24 concurrent sessions with four papers each
 - 3 plenary sessions
 - 1 semi-plenary session
 - 1 organized concurrent session
- Mary noted that discussants would participate in a number of presentations.

6. ARIA Awards Reports

• Strickler Award

- Yu-Luen Ma serves as chairperson for the Strickler Award.
- Three “call for paper” announcements were circulated through listserv and ARIA’s web site.
- Authors who submitted proposals in the past three years, but were not selected as the winners in those years, were contacted individually and encouraged to re-submit their innovative classroom projects this year.
- Four proposals were received before the posted deadline, February 28, 2006.
- Following suggestions from previous chairs, the weighting for selection of the award winner was based on: 40 percent for creativity and 20 percent for each of the other three components (content, transferability, and potential value).
- The project titled “The Problem of Asymmetric Information: A Simulation of How Insurance Markets Can Be Inefficient,” by Martin Halek (University of Georgia) and David Eckles (University of Georgia), received the highest weighted average and thus, was selected as the award recipient for 2006.
- The committee chair noted that whether submissions were evaluated under the new weighting scheme or under the old paradigm, the winner would have been the same.
- The Strickler Award winners will be asked to make their paper available on the website, rather than just announcing their name on the site.
- Yu-Luen suggested that the Board approach previous winners to share their award-winning presentations on ARIA’s website.

• New Awards Committee

- Etti Baranoff heads the new awards committee.
- Etti is assisted by:
 - Andre Liebenberg – ARIA Teaching Award
 - Steve Pottier – ARIA Award for Early Career Scholarly Achievement
 - Lauren Regan – ARIA Significant Impact Award
- The new awards are:
 - ARIA Teaching Award – this award (as an additional award to the existing Strickler Award) recognizes excellence in teaching in the RMI field.
 - ARIA Award for Early Career Scholarly Achievement – This award honors the distinguished achievement of scholars who are within 10 years of having received their PhD.
 - ARIA Professional Significant Impact Award – This award recognizes a nonacademic (one who may or may not have a PhD and who does not work primarily as a professor) who regularly attends ARIA meetings and has made a significant positive impact on individuals, groups, or ARIA as a whole.
- No monetary amount is associated with these awards.

- Etti hoped the Board would consider awarding these recognitions at the 2007 annual meeting.
- Vickie motioned and Terri seconded a proposal to support the Teaching Award and the Award for Early Career Scholarly Achievement. Etti provided the foundation for criteria that will be used to select award winners, but further refinement is desired. Criteria should be finalized by the mid-year meeting and the first recipients could be recognized at the August 2007 meeting.
- Jim Carson volunteered to spearhead the effort to define the selection criteria.
- **Witt Award**
 - Richard Butler chairs the Witt Award Committee.
 - Each committee member ranked the top five articles and e-mailed their rankings to the chair.
 - No clear consensus resulted from the first round of voting. A second round was undertaken to select a winner among the top five vote getters from the first round.
 - Two articles tied for first place in the second round. The two articles were:
 - September 2005, Neil Doherty, Kent Smetters, “Moral Hazard in Reinsurance Markets”
 - December 2005, David S. Loughran, “Deterring Fraud: The Role of General Damage Awards in Automobile Insurance Settlements”
 - A third vote was taken to decide an eventual winner but, again, the results were evenly split.
 - Given the excellence of both articles, the Witt Committee recommended that this year’s Witt Award recognize both Loughran and Doherty/Smetters articles.
 - Winners of all awards will be recognized during Tuesday’s award luncheon.
 - Tony noted that \$2,000 has been received to support a monetary component of the Witt Award. Further financial support is necessary in order to establish an on-going funding source.
- **RMIR Awards**
 - David Sommer heads the RMIR Awards Committee.
 - The committee is charged with selecting the best Feature Article and the best Perspectives Article published in the RMIR in 2005.
 - The committee recommended:
 - “Regulating Genetic Information in Insurance Markets” by Hoy and Ruse as winner of the Feature Article Award
 - The article written by Brockett, Wang, and Yang, “Weather Derivatives and Weather Risk Management,” was selected as the winner of the Perspectives Article Award.
- **Kulp-Wright Book Award**
 - Patty Born chairs the Kulp-Wright Committee.
 - Patty included a statement explaining the criteria to be used in selecting the Kulp-Wright award.

The purpose of the Kulp-Wright award is to recognize outstanding books (or monographs) that advance the frontiers of knowledge in the field of risk and insurance. This year, the committee will select the best book in risk and insurance that was actually published in 2004. To be eligible, the primary contribution of the book should lie in the primary field of risk and insurance (for example, that means that a book on "health insurance" would generally be preferred over one that just discusses health insurance as part of a broader-ranging treatment of the more general subject of "health care economics"). Also, the book should appeal to a broad cross-section of persons concerned with the field of risk/insurance, not just a narrow niche of readers (i.e., academics, theorists, statisticians, etc.). The award winner receives a certificate.

- The text selected as the winner of this year's Kulp-Wright Book Award is Predictable Surprises: The Disasters You Should Have Seen Coming and How to Prevent Them, authored by Bazerman and Watkins.
- **Special Awards**
 - **Georgia State University Award**
 - Jim Garven reported GSU informed ARIA that the award no longer will be a joint presentation. GSU would like to "send out an announcement and make it an award for the best paper in risk management at the FMA, AEA/AFA, ARIA, EGRI, APRIA, Econometric Society, and potentially other meetings over the year."
 - **Hedges Scholarship Award**
 - Etti Baranoff heads the committee.
 - The committee received five applications for consideration.
 - The committee selected Jeffery Partlow from The Ohio state University as this year's recipient of the award.

V. Administrative Reports

1. Strategic Planning

- Terri Vaughan spearheaded ARIA's strategic planning activities and reviewed progress to date for new Board members.
- Sherrie Ford of Change Partners conducted an initial planning session as part of the Board's mid-year meeting
- The planning session will continue following the conclusion of today's Board meeting.
- The ultimate purpose of the planning activity is to identify three or four key projects ARIA can undertake.
- The mission and vision for ARIA prepared as a part of the initial planning session follow.

Mission

ARIA is dedicated to creating and advancing knowledge in risk management and insurance.

Vision

As an association of scholars in the field of risk management and insurance, ARIA will strive to be a leading advocate for risk management and insurance research and education by:

- Providing recognized intellectual leadership in risk management and insurance, including premier journals in the field;
 - Supporting the intellectual growth and professional development of our members and fostering relationships among members;
 - Recruiting and developing new talent in the field of risk management and insurance;
 - Nurturing relationships with industry, consumers, and policymakers; and
 - Fostering relationships with other organizations, including international organizations devoted to education and research in risk management and insurance
- Terri motioned that the Board accept the mission and vision statements. Vickie provided a second and the Board gave its unanimous approval.

2. Executive Director's Report

- Tony reported that the executive office was involved in the interview and appointment of the new JRI editor and a website consultant.
- The executive office assumed listserv responsibilities in the spring and has distributed more than 30 messages since that time.
- Election of officers was coordinated through the executive office and planning began for the 2007 meeting in Quebec City.
- Funds ARIA holds for the Risk Theory Society were placed in a restricted money market fund.
- ARIA contributed \$9,000 as a co-sponsor for the Longevity Risk and Capital Markets symposium.
- An additional \$22,400 was paid to the University of Texas to compensate for expenses associated with production of the JRI.
- ARIA was required to provide an \$80,000 security deposit to the Capital Hilton because the organization essentially does not have a credit rating. The American Institutes cannot be used to secure ARIA's annual meeting since ARIA is not a subsidiary of the Institutes. The Institutes will not assume liability for ARIA's financial obligations should ARIA default.
- Vickie mentioned that ARIA's plight is not unique. Other small organizations are subject to the same financial burden.
- The Institutes' Controller suggested that ARIA use its investment portfolio to secure future meetings.
- The Institutes' contract with the travel agent associated with last year's World Congress rooming fiasco was not renewed.
- The contract for the executive office expires at the end of 2007. Both the Institutes and ARIA must evaluate their position so discussions about the future of the executive office can begin at the January 2007 Board meeting.

VI Corporate Governance

1. Board Packet Update

- Vickie Bajetelsmit spearheaded update of the packet.
- The Executive Office will incorporate several more edits into the document and then the manual will be placed on ARIA's website.
- New Board members were encouraged to download the manual.

VII Special Projects

1. Griffith Foundation Liaison Report

- Don Rebele, Foundation President, prepared a report to the Board.
- The Foundation is very happy to have ARIA's involvement in the upcoming enterprise risk management symposium.
- The "invitation only" conference has 26 confirmed attendees.
- Programs, such as the upcoming symposium, could play a big part in the Foundation's future.
- The Foundation also would like to serve as a broker between RMI organizations. Don spearheaded efforts for ARIA and SIR officers to get together during the annual meeting to discuss areas of mutual interest.
- The Foundation will continue to offer seminars to state legislators and regulators, as well as sponsor the adjunct professor and executive in residence programs.
- Don jokingly noted that the Foundation has gone international as a result of its involvement with the University of Calgary.
- In an effort to further strengthen the relationship between the Foundation and ARIA, Don anticipates sending RMIR to the Foundation's Board members.

VIII Other Business

1. Executive Session

- Tony was excused for this portion of the meeting.
- When Tony returned, Larry stated that the Board is pleased with the services of the Institutes and continues to appreciate the efforts put forth by the executive office and Institutes staff members.

3. New Business

- **Spencer Foundation**
 - Jeanne Braun, Chairwoman of the Foundation, is ARIA's guest at the Annual Meeting and took time to visit with the Board to explore areas of increased involvement.
 - Two concerns were voiced about Spencer's current selection criteria.
 - The amount of paperwork is a deterrent.
 - The 3.5 GPA probably eliminates worthy students who show commitment to RMI education. Larry mentioned that some students with high GPAs go on to careers other than insurance.

- Would the Foundation consider something along the line of a service award for students committed to insurance, but who have a lower GPA?
 - Larry suggested the Foundation look at previous recipients to determine if they still are employed in RMI.
 - Also, some universities provide a concentration in insurance rather than offering insurance as a major.
 - When considering areas of collaboration and cooperation the following ideas were brought up:
 - ARIA can provide information about the Spencer Foundation on its website and through listserv.
 - The Foundation could sponsor a conference and RIMS meetings.
 - Support could be offer to Gamma Iota Sigma chapters.
 - The Foundation could assist individual professors by funding their research. The Foundation already might have research topics that are important to them.
 - Going along with this idea, Mary mentioned that individual PhDs could be funded.
 - Richard stated that high costs associated with data and software acquisition are something to consider.
 - Jeanne mentioned that the Foundation sponsors the Risk Management in Residence program.
 - Debbie liked that idea and a two pronged approach was mentioned.
 - Schools could ask the Foundation to support requests for specific risk managers.
 - The Foundation could prepare a list of risk managers who participate in the program.
 - **Annual Meeting Exhibitors**
 - Establishing a policy concerning exhibits by commercial vendors at the annual meeting will be explored by the Finance Committee.
 - **2008 Meeting Site**
 - Jennifer Smith, the Institutes' meeting coordinator, joined the Board meeting to briefly discuss locations for the 2008 annual meeting.
 - The Board selected four locations for further investigation.
 - Jennifer will look into availabilities and prices for: Santa Fe, NM; Monterey, CA; Lake Tahoe, and Portland. The Board will make a decision at the 2007 mid-year meeting.
 - **Recognition of Outgoing Members**
 - Larry expressed his and ARIA's appreciation to Don Rebele, Jim Carson, and Richard MacMinn, who will be leaving the Board.
- 3. Adjournment**
- There being no further business Debbie made a motion to close the business portion of the Board meeting and Mary offered a second.
 - The Board adjourned the meeting at 1:58 PM and proceeded into the strategic planning portion of the meeting.

Respectfully submitted,
 Tony Biacchi, ARIA Executive Director