

**American Risk and Insurance Association  
Board of Directors Meeting  
Sunday, August 7, 2011  
San Diego. CA**

**I Opening**

**1. Call to Order**

- The ARIA Board Meeting was called to order at 8:30 AM by President Gene Lai.
- Board Members Present:
  - Dave Appel, Vickie Bajtelsmit, Patty Born, Jeff Brown, Bob Hartwig, Gene Lai, Bill Panning, Dave Sommer, Jennifer Wang, and George Zanjani, and Andreas Richter (via Skype)
- Board Members Absent:
  - Lauren Regan
- Others Present:
  - Tony Biacchi, Georges Dionne, Marty Ellingsworth, Paul Thistle, Mary Weiss

**2. Approval of January 7, 2011 Board Minutes**

- Dave Sommer motioned to accept the minutes; Gene offered a second.
- The motion passed.

**II Corporate Finances**

**1. Budget and Financial Reports**

- **2010 Audit**
  - A new accounting firm, CBIZ of Plymouth Meeting, PA, performed an audit of ARIA's 2010 financial position in the spring of 2010.
  - Highlights of the 2010 audit included:
    - Total liabilities and net assets amount to \$556,606 compared to \$461,917 in 2009.
    - The largest liability is \$33,582 held on behalf of the WRIEC.
    - The value of unrestricted assets increased from \$360,520 in 2009 to \$425,447 at the end of 2010.
    - Temporarily restricted assets amounted to \$99,827 compared to \$103,327 in 2009.
    - Cash and cash equivalents of \$161,556 at the end of 2009 increased to \$234,645 at the end of 2010.
    - The audit was accepted as presented.
  - Tony mentioned a verbal concern expressed by the auditor relative to check-writing control.
  - The Board agreed that Tony should inform the Board about any expenses greater than \$3,000.

- The Board would like such a control statement noted in the audit.
- **2011 Financials**
  - Tony presented the six month financials to the Board.
  - Net earnings at the end of June show a positive \$73,654.
  - The Board expressed a desire to see a six month budget compared to the same six month period in the prior year.
  - Anticipated payments for the annual meeting, rent, and insurance will total more than \$125,000.
  - AV expenses are more than anticipated based on the use of higher quality equipment, the simultaneous use of two projection systems during the President's Seminar, additional AV equipment to furnish six rather than five concurrent session rooms, and the addition of a Sunday roundtable.
  - However, anticipated 2011 royalties approximating \$77,000, a receivable paid to ARIA in April 2012, should result in a positive 2011 year-end balance.
  - Tony's indication that the annual meeting will go over budget prompted Jeff to suggest that the board should look at the annual meeting as part of the bigger picture.
  - This resulted in a discussion about what ARIA wants to do as an organization.
  - What can the organization do to make ARIA more valuable to its members?
  - This is the type of discussion should be addressed at the Board meetings rather than addressing financial and programmatic matters?
  - To clean the "underbrush" that takes a great deal of time away from the strategic thought process, Gene motioned and Jeff offered a second that ARIA should schedule a spring and fall conference call.
  - The motion passed.

## 2. Investment Policy

- **Investment Portfolio.**

Investments in ARIA's portfolio are allocated among several fund families and designated restricted (intended for a specific purpose, primarily awards) or unrestricted funds.

- The value of the portfolio at the end of December 2010 amounted to \$422,550.42
  - Unrestricted funds totaled \$355,409.26.
  - Restricted funds amounted to \$67,141.16.
- The January 2010 Board expressed concern about stock market volatility, particularly as it relates to the continued funding of award obligations.
- The Board voted to pursue an investment policy that conserved principal, but still could fund awards.

- George Zanjani accepted the charge to explore implementation of the asset allocation policy adopted at the January 2010 meeting. His objectives were:
  - Get current funds out of high fee mutual funds.
  - Roughly maintain ARIA's asset allocation of 30 percent stock, 48 percent intermediate/long bonds, and 22 percent cash.
  - Keep the investment policy simple.
- The investment policy was not acted on at the July 2010 meeting in Singapore.
- George's investment policy, with several slight revisions to the initial reallocation of TIAA-CREF monies, was reintroduced at the January 2011 meeting.
- All restricted money deposited in TIAA will be removed and deposited into Fidelity and Vanguard accounts.
- The Executive Office was charged with reallocating funds according to the suggestions offer by George.
- The distribution of funds at the end of June 2011 represented 29 percent equity, 49 percent bonds, and 22 percent cash.
- The value of ARIA's investment portfolio, minus the WRIEC money, totaled \$436,180.80.
- At the close of business on Friday, August 5, the value had dropped to \$426,651.75.
- The Board noted that the association should move away from referring to award funds as restricted. A name such as "earmarked" probably would be more acceptable to the auditors.
- Tony will discuss the naming convention with the auditors.

### **3. WRIEC Financials**

- Gene Lai informed Tony that the heads of the organizing associations agreed that surplus funds should be distributed in the agreed to percentage.
- The final audit shows a net surplus of SGD\$170,398.29 (~\$140,000), which includes the \$33,582 held by ARIA on behalf of the Congress.
- Tony will work with SCI to distribute the remaining surplus in a ratio of 1/6 to the three contributing organizations and 1/2 to the Singapore College of Insurance.
- The Board agreed ARIA should follow the initial wishes of the WRIEC organizers and not question holding more than \$20,000 as seed money for 2015.
- Further the \$33,582 should be considered part of the money due ARIA. ARIA will return any amount the \$33,582 represents over its fair share.
- And, SCI should make the \$20,000 payment to the organizers of the 2015 meeting rather than ARIA holding the money on anyone's behalf.

## **III Impact Action Items**

## 1. 2011 Annual Meeting

- George outlined plans for the San Diego meeting.
- Topics for the plenary sessions are: the state of municipal finances, international developments in insurance regulation and supervision, the California earthquake insurance market, and environmental risk.
- The President's Luncheon will feature Nobel Laureate Harry Markowitz who will speak on "Consumption, Investment, and Insurance in the Game of Life."
- The Strickler Award session will have two presentations since a Strickler session was not conducted at the WRIEC.
- Several concurrent sessions are being presented as a group of related presentations proposed and organized by a single moderator.
- George noted the session concept is good for the audience and makes planning easier for the program chair,
- Annual Meeting Discretionary Budget:
  - A discussion that started at the mid-year meeting but was carried to a conclusion through an e-mail vote of the Board is as follows:
    - *"A discretionary budget of up to \$6,000 shall be granted to the ARIA Annual Meeting Program chair for the purpose of covering travel expenses and honoraria for keynote speakers and/or panelists in plenary sessions. The Program chair (or his/her designee) is encouraged to seek sponsorship for keynote addresses and plenary session from external organizations (e.g., corporations, academic institutions, etc.). The authority to negotiate these sponsorships is delegated to the Program Chair, including, but not limited to the amount of sponsorship and whether the sponsor wishes to directly pay for travel expenses and honoraria or make a cash donation to ARIA in exchange for recognition as a sponsor, etc."*

*The proceeds of any cash sponsorship will expand dollar-for-dollar the discretionary budget of the Program Chair. The Program Chair will have the responsibility of ensuring that keynote and plenary program expenses do not exceed the total discretionary budget. Any excess funds will become part of ARIA's general funds."*

## 2. Annual Meeting AV Equipment

- The Board agreed the moderator of future concurrent sessions should be asked to provide a laptop to accommodation presentations for that moderator's particular sessions.
- However, the Board reversed its decision after further discussion at the Wednesday exit meeting.

## 3. Editor Contracts

- RMIR
  - The contract for the editor of RMIR expires at the end of 2011.

- Lauren Regan headed the RMIR editor search committee.
- While several inquiries were received, no one came forward to request consideration for the position.
- Mary Weiss previously agreed to continue in the position of editor if extenuating circumstances required the Board to offer her the position.
- The Board voted via e-mail to continue Mary's position as editor due to extenuating circumstances. Gene Lai requested the Executive Office contact Mary with the Board's decision.
- Mary, who attended the Board meeting to make her presentation as editor of RMIR, stated that she would accept the offer to continue as editor of RMIR.
- Gene or Tony will talk privately with Mary about her continuation as RMIR editor.
- The contract for the editor of the JRI expires in December 2012.
- Georges Dionne previously requested the Board pursue his successor in a timely manner that will provide an overlap between the announcement of a new editor and the expiration of Georges' term in order to facilitate a smooth transition.
- Georges would like to continue as JRI editor, but the position is limited to two three year terms unless no acceptable replacement is identified.
- The President, with agreement from the Board, will write a letter to George that explains the editorial term-limit policy and why Mary was offered a third term.

Addendum to the Minutes:

On August 23, 2011, the Board approved the following motion via e-mail.

"To form a search committee to seek a new editor of the Journal of Risk and Insurance for a 3-year term to officially begin on January 1, 2013, and to issue an RFP to solicit interested candidates. Consistent with existing policy that seeks to limit editors to two three-year terms, the existing JRI Editor, Georges Dionne, will not be considered a candidate. The existing editor will be informed, however, that if the search to find a highly qualified replacement is not successful, the Board reserves the option of asking Georges to serve a 3rd term, consistent with the board policy allowing a third term in exceptional circumstances."

The vote was 11-0. No vote was received from George Zanjani.

#### **IV. Governance**

##### **1. Executive Office Review**

- Two five year contracts, one to continue housing the Executive Office at The Institutes and the other to retain Wiley-Blackwell as published for ARIA's two journals were approved by the Board via e-mail following the January 2011 board meeting.
- Tony Biacchi will continue to serve as ARIA's executive director.
- The negotiated fee with the Institutes holds the rental charge at the current \$40,000 for 2011, increases to \$42,000 in 2012, and then increases by a factor equal to the CPI in the three subsequent years of the agreement.
- The contract with W-B will increase ARIA's royalties from 25 percent to 35 percent for all revenues earned after the current sales threshold is achieved.
- Tony reported that the reduced membership fee for international members appears to have achieved its intended purpose.
- The figures below show 36 more international members compared to this same time last year, and an even greater number than all of 2010.

<b>Date</b>	<b>Total ARIA Members</b>	<b>International ARIA Members</b>
<b>June 2011</b>	<b>501</b>	<b>204</b>
<b>December 2010</b>	<b>497</b>	<b>194</b>
<b>June 2010</b>	<b>456</b>	<b>168</b>

- Consistent with the discussion at the January 2011 meeting, ARIA funds were withdrawn from a portfolio managed by TIAA-CREF and deposited primarily with Vanguard. The allocation followed guidelines discussed at previous Board meetings. Funds for the Strickler account that were managed by Fidelity also were adjusted.
- Rather than allocating the new funds to a particular purpose, the next step should be the development of a comprehensive investment and financial plan that supports ARIA strategic initiatives.
- George Zanjani proposed the motion and Patty offered a second and the Board voted unanimous support for a comprehensive investment and finance plan.
- Members of the investment and finance committee are George, Jeff, and Bill. Tony will participate as an ex officio member.

## **V. Membership**

### **1. Elections**

- Vickie Bajtelsmit, the immediate past president, chaired the nominations committee.
- The distribution of 10 digit encrypted electronic ballots was coordinated through The Institutes' Marketing Department.

- The 155 ballots cast in the spring represented the highest voter participation in the tenure of the executive director. The previous high was 144 ballots cast in 2008.
- Individuals voted into office were:
  - President: David Sommer, St. Mary's University
  - President-Elect: George Zanjani, Georgia State University
  - Vice-President: Lauren Regan, Temple University
  - Board Member 1: Paul Thistle, University of Nevada at Las Vegas  
(term to 2014)
  - Board Member 2: Martin Ellingsworth, ISO Innovative Analytics  
(term to 2014)
- International Board Tenure
  - Andreas noted that the need for Board members who specifically represent the international membership is no longer needed.
  - Andreas suggested the position could be eliminated after the current term.
  - Rather than reducing the Board as a result of eliminating the international Board positions, the spring 2012 election will ask members to vote for three rather than two Board openings.
  - International members could be placed on any of the three ballots for a Board position.

## 2. Website

- **Web Strategy Committee**
  - Randy Dumm chairs the committee.
  - The committee developed a survey to assess membership satisfaction with ARIA's website.
  - Over a four week period in April and May 2011, three e-mails were sent to the membership via the ARIA listserv with a link to a Survey Monkey questionnaire.
  - Three months into the survey, only 17 members have completed the questionnaire with the following results:
    - They use the website on an occasional basis

- Over half of the respondents would support a proposal to upgrade the look of the website and add database access for ARIA members.
- Improve the informational content of the website: 1) ARIA events and publications, 2) RMI programs, 3) and research grants and opportunities.
- Over 60 percent noted the website should provide the ability to complete financial transactions related to dues and annual meeting registration.
- Members use the website primarily for annual meeting and journal information, and respondents indicated non-members would use the website in a similar manner.
- The website should play an important role in promoting ARIA, but not as a reason for joining ARIA.
- The link to related industry should be expanded.
- The website does not provide perceived “member only” benefits.
- There was support for providing open access to member contact information, but there was stronger support for providing an exclusive member benefit via password access for member/contact information.
- Note: Reaction at Monday’s general membership meeting did not favor posting any type of membership list.
- Survey participants recognized ARIA’s newsletter as a valuable part of being a member, and there was some support to distribute it digitally.
- Among the free responses:
  - The newsletter is one of the principal advantages of membership. It builds a sense of community. It could not function as effectively if delivered digitally. It should be available in hardcopy and in electronic format.
  - Members should be able to access the membership rolls.



- ARIA's Board needs to make a strategic commitment that it speaks for the discipline of RMI. Then the role of the website should be evaluated in that context.
  - The website should be the repository of historical information. Past programs along with links to papers should be retained.
- A copy of the website survey was enclosed in the meeting registration packet. Members will be encouraged to complete a paper version of the website survey.
- Given the length of time since the previous update, the Board agreed that the website was due for a review.
- The Board expressed support for periodic update of the website beyond normal maintenance.
- **Webmaster Report**
  - Chad Garven provides webmaster service for the association.
  - Chad regularly archives listserv messages.
  - Basic maintenance and housekeeping are provided on an ongoing basis.
  - All requests for service are received at [aria.webmaster@gmail.com](mailto:aria.webmaster@gmail.com).
  - Chad suggested some improvement to the site including the elimination of circular links.
  - More expansive improvements were suggested in Chad's January 2010 report to the Board. Those suggestions were again incorporated into the Board packet.
- **Placement**
  - Ping Wang coordinates the job placement information on ARIA's website and the job announcements in listserv e-mails.
  - At present, the job placement page contains 23 RMI related academic and research positions, plus four actuarial science openings.
  - All posting are current and up-to-date.

- Two posting requests were denied because they lacked conformity to one or more of the necessary criterion.
- Ping brought up a recurring issue of posting longevity. After reading Ping's report, Tony and the webmaster discussed the importance of the date stamp when posting position announcements.
- In addition, not all posting organizations inform Ping or the Executive Office when a position is filled.

### **3. Membership**

- Society membership at the end of June 2011 totaled 501.
- ARIA counted 497 members for all of 2010.
- The mid-year count for international members was 204, ten more than recorded at the end of December 2010, and 36 more than June 2010, when total membership numbered 456.
- Membership traditionally increases in the second half of the year. International membership also could continue to climb.
- Cassandra Cole directs Membership Committee activities.
- The goals of the committee remain the same:
  - To continue to analyze membership data from various insurance organizations during the last several years in order to identify trends in the number and types of members who join the organizations and/or are no longer participating in the organizations
  - To organize the First-time Attendee Program
  - To monitor non-renewing members in an effort to identify any changes, and serve as a reminder to those who neglected to renew
  - To assist ARIA in instituting some of the potential value-enhancement ideas identified in surveys of non-renewing members, current members, and members of the Board
- In summarizing their accomplishments, the committee:
  - Collected information from a variety of sources (SRIA, WRIA, and RTS) in preparation for the detailed analysis of the membership to be provided in the Final Report of 2013
  - Organized the First-time Attendees Program for the 2009 annual meeting and developed a follow-up survey, which provided little information due to limited responses
- Outstanding committee items include:
  - Continue to collect information on ARIA membership and programs in preparation for the 2013 analysis.
  - Conduct a survey of non-renewing members.

- Finalize plans for the 2011 First-time Attendees Program, including revising the participant survey.
- Revisit means to enhance value through added teaching resources with the objective of looking for ways to increase membership and/or retain current members.
- The Membership Committee welcomes any suggestions from the Board.

#### **4. Teaching Resources**

- Kathleen McCullough chairs this ongoing committee.
- The goal of the committee is to promote teaching by sharing resources among ARIA members.
- An initial launch of the teaching resources website was made in time for the 2009 annual meeting.
- Through 2009-2010, the committee worked to increase the amount of information on the site.
- Currently, the committee continues to solicit teaching resources through multiple media and sources.
- Tasks being worked on are:
  - Gaining IRMI's permission for some of its materials to be placed on the website.
  - Updating and adding links to the National Alliance program
  - Beyond soliciting materials, the committee will look at restructuring the current website to ensure accuracy and user friendly access.
  - Discussing with the Griffith Foundation the ability to access their ERM cases once they are printed in RMIR.
- A listing of RMI textbooks has been prepared and is in the process of being added to the site.
- The group continues to work with the webmaster to establish timely posting of resources.
- Securing and updating materials is vital to the website. Committee members will work to update material and plan to add RMIR Educational Insights and Strickler Award winners to the resource site.
- As a reminder, information about teaching materials can be e-mailed to [ARIATeaching@gmail.com](mailto:ARIATeaching@gmail.com). The message should contain the following information:
  - Course/topic
  - Type of material (Syllabus, Assignment, Lecture Notes, Background Information, etc.)
  - Author(s)
  - University/Organization
  - Brief description
  - The appropriate category(s) within the Teaching Resources website to identify the material

- The committee would like ARIA to explore a Teaching Forum on Linked In or a similar site.
- Providing a list of subject matter experts would be helpful to individuals looking for more information.
- All this being said, there is a concern about privacy and security.
- Also are individuals taking advantage of the Teaching Resources; are they aware?

## 5. Newsletter

- Diana Lee produces ARIA's newsletter.
- The spring newsletter contained 24 pages for distribution to the membership and posting on the website.
- The newsletter contained an interview with Yehuda Kahane and an article about the risk management project conducted by CAS, and other articles as cited in the January report to the Board.
- The fall newsletter will be distributed at the end of October.
- The newsletter will contain the following articles and stories:
  - Interview with president-elect David Sommer
  - The 2012 annual meeting in Minneapolis (with input from Lauren Regan)
  - Highlights from the 2011 annual meeting and the names of award winners
  - Article on the purpose and significance of the *Journal of Consumer Affairs*
  - Article about the RMI program at the University of New South Wales
  - Article on the Geneva Association's research findings on systemically important financial institutions
  - Article on The Institutes and its product offerings

## VI. Scholarship Activities

### 1. ARIA Journals

#### •JRI Editor's Report

- Georges Dionne serves as editor of the JRI.
- The number of submissions increased significantly to 253 in 2010, but the acceptance rate has been significantly below 20 percent since 2006.
- The average processing time decreased to 101 days in 2010.
- As of July 18, JRI has received 72 unique submissions, 46 (64percent) being international.
- The average processing time YTD is 73 days and the acceptance rate for the 72 unique article submissions is 2.78 percent.
- The decision timeline is much improved compared to the 5.8 months waiting period of 2007.
- The primary reasons for a returned paper are:
  - A low probability that it will measure up to the standards
  - Lack of a link between the content of the paper and the mission of the JRI.
- Thirty-six articles accepted before 2011 have not been published.
- The backlog of articles accepted in 2011 is 23.

- Ten backlogged articles will be published in the September issue and an additional 12 will be published in the December issue for a total of 42 published articles in 2011.
- During the last 12 months, JRI had 5,429 abstract views and 1,794 file downloads at IDEAS, an increase of about 10.6 percent.
- George reiterated the importance of improving our relationship with RePEc.
- He noted that JRI articles from March still have not been placed on RePEc.
- Such a delay is detrimental to the impact factor.
- The impact factor for 2010 improved to 1.092, the highest in JRI history.
- JRI is now ranked 24/74 in Business and Finance journals and 97/304 in Economics.
- The Journal publishes special issues in order to increase the quality of submissions. A special issue on *Microinsurance* was published in March 2011.
- Two other special issues (*Corporate Governance in Insurance*, managed by Georges Dionne and *Behavioral Insurance and Behavioral Risk Management*, managed by Andreas Richter and Glen Harrison) are forthcoming.
- Two conferences on *Longevity Risk and Capital Markets* (managed by David Blake) and on *Convergence, Interconnectedness, and Crises: Insurance and Banking* (managed by David Cummins and Elyas Elyasiani) are in preparation.
- A note of thanks was expressed to members of the JRI editorial board, Claire Boisvert, and staff members at Wiley-Blackwell and the Executive Office.
- **RMIR Editor's Report**
  - Mary Weiss edits *The Risk Management and Insurance Review*.
  - The spring issue contained nine articles:
    - Four Feature
    - Two Perspectives
    - Two Educational Insights
  - The fall 2011 issues will contain 12 articles:
    - Seven Feature
    - One Perspectives
    - Two Educational Insights
  - The ERM cases studies originally planned for publication in the fall edition are delayed and awaiting permission from Nationwide Insurance.
  - Between July 1, 2010 and June 30, 2011, RMIR received 20 new submissions and 14 resubmissions.
  - To date, seven of the 20 articles have been accepted and nine have been rejected.
  - The median turnaround time is 53 days.

- Mary again mentioned the desirability of a reviewer data base, but stated “given the relatively low number of submissions, this should probably not be a considered a high priority.”

## 2. Reports from Wiley-Blackwell 2010 and Interim 2011

- Margot Morse serves as Wiley-Blackwell’s representative to ARIA.
- The 2010 Publisher’s Report, prepared in the late spring 2011, was previously shared with the Board.
- The 2010 JRI/RMIR subscription bundle had 532 full-rate subscriptions, down from 570 during the previous year.
- Subscriptions under license have been stable, but subscriptions not protected by license have seen higher attrition rates in 2010 than in previous years.
- On the other hand, more than 3,400 libraries have access to the current content of JRI and RMIR through the W-B licensed sales program, up from 2,600 in 2009.
- Full text JRI articles were downloaded 174,942 times in 2010 compared to 126,601 downloads in 2009.
- RMIR downloads increased to 23,800 compared to 17,034 in 2009, an increase of 40 percent.
- Also noteworthy, more than 1,000 readers receive e-mail Content Alerts announcing recently accepted journal articles.
- The impact factor for 2009 was .612, but W-B was happy to report that it improved to 1.092 in 2010.
- A full page ad for the JRI was placed in the Journal of Economics.
- Ads for JRI and RMIR were placed in Decision Sciences and Economic Inquiry.
- Membership increased by 10 to 496 in 2010.
- In the spring, ARIA’s Board approved a subscription increase and a membership fee increase which are noted below.
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## 2011 and 2012 Wiley-Blackwell Subscription and Membership Fees

2011 Prices	NA \$	UK £	ROW \$	EUR €	2012 Prices	NA \$	UK £	ROW \$	EUR €
Print only JRI	418.00	322.00	629.00	408.00	Print only JRI	444.00	342.00	667.00	433.00
Online only JRI	418.00	322.00	629.00	408.00	Online only JRI	444.00	342.00	667.00	433.00
Print + online JRI	481.00	371.00	724.00	470.00	Print + online JRI	510.00	394.00	768.00	499.00
2011 Prices	NA \$	UK £	ROW \$	EUR €	2012 Prices	NA \$	UK £	ROW \$	EUR €
Print only RMIR	176.00	137.00	268.00	174.00	Print only RMIR	187.00	146.00	285.00	185.00
Online only RMIR	176.00	137.00	268.00	174.00	Online only RMIR	187.00	146.00	285.00	185.00
Print + online RMIR	216.00	168.00	328.00	214.00	Print + online RMIR	216.00	168.00	328.00	214.00
<b>Member prices</b>									

Student/Retired Members Online	29.00	19.00	£19.00	29.00	Student/Retired Members Online	30.00	20.00	£20.00	30.00
Student/Retired Members Print & Online	56.00	36.00	£36.00	46.00	Student/Retired Members Print & Online	58.00	38.00	£38.00	48.00
Members Print & Online	135.00	100.00	£100.00	125.00	Members Print & Online	140.00	103.00	£103.00	129.00

- As part of her July 2011 interim report, Margot Moran informed the Executive Office that Charlotte Ching was appointed new production editor for ARIA's journals.
- Charlotte works in W-B's Singapore office.
- Georges Dionne, Mary Weiss, and the Executive Office have been contacted by Charlotte. Georges informed the Executive Office that he has no problems with the change.

## 2. ARIA Awards Reports

- **Teaching and Scholarship Awards**
  - **Awards Criteria**
    - Members of every nominating committee outside of those selecting journal award winners commented on the poor participation and lack of multiple applications for these awards.
    - Vickie motioned and George Zanjani seconded a motion to revise the criteria for the Early Career Award.
    - The proposal states that a committee will nominate, evaluate, and vote on a recipient of the award. There will no longer be self-nomination or a paperwork associated with the Early Career Award
    - The proposal will be presented to the general membership.
  - **Early Career Scholarly Achievement Award**

*Distinguished achievement of a Risk Management and Insurance scholar who is within 10 years of award of the Ph.D. degree*

    - Steven Pottier chaired the Early Career Scholarly Achievement Award committee.
    - The recipient of the award was Tong Yu, University of Rhode Island.
  - **Excellence in Teaching Award**

*In recognition of excellence in teaching in the Risk Management and Insurance field*

    - The award committee was chaired by Jing Ji.
    - The recipient of the award was Pat Brockett, University of Texas-Austin.
  - **Hagen Family Foundation Travel Award**

*Financial assistance in support of a presentation at the ARIA Annual Meeting*

    - The selection committee was headed by Jacqueline Volkman Wise.

- Initially eight individuals applied for the award, but one withdrew when funding became available from her institution.
- The remaining seven applicants were ranked based on both their need for financial assistance and the quality of the paper submitted.
- The committee chair then tallied a total score for each applicant.
- The committee was emailed the names of the candidates with the two highest scores
- All committee members agreed that Winnie Sun, University of Wisconsin-Madison, was the strongest candidate and should be granted the award.
- **Hedges Undergraduate Student Award**  
*Financial assistance to an undergraduate in support of attendance at the ARIA Annual Meeting*
  - Paul Thistle coordinated the Hedges selection committee.
  - Only two candidates submitted an application.
  - The recipient of the award was Kyle Gustin, Utica College.
- **Strickler Innovation in Instruction Award**
  - Nat Pope chaired the Les B. Strickler Awards committee.
  - The award was given to “Brown Dog Brewing Company: Case Study for Risk Management and Insurance”
  - James Hilliard, University of Georgia, and Ronald Licata, University of Connecticut School of Business developed the program.
  - Nat suggested the position of Strickler Award committee chair revert to its former format of having the previous year’s winner chair the committee.
  - Consistent with the other awards, the number of applications was poor.
- **Journal and Book Awards**
  - **Brockett and Shapiro ARIA Actuarial Journal Award**  
*An outstanding original contribution to the literature of risk and insurance appearing in an actuarial journal*
    - Pat Brockett heads the initiative to establish this award.
    - To date the fund has received \$8,500 in contributions.
    - Pat informed the executive director the first award will be made at ARIA’s 2012 meeting.
  - **CAS Award**  
*A paper published by ARIA (in either the JRI or RMIR in the prior year) that is most valuable to casualty actuarial science*
    - Louise Francis headed the selection committee.
    - The recipient of this year’s award was George Zanjani, Georgia State University.



- The winning article was “An Economic Approach to Capital Allocation,” JRI September 2010, 77:3, pp. 523-549.
- **Kulp -Wright Book Award**  
*An outstanding original contribution to the literature of risk and insurance*
  - The Kulp-Wright Book Award committee was chaired J. Tyler Leverty.
  - Tyler explained the somewhat frustrating efforts to receive textbooks for consideration.
  - From an initial pool of 400 potential textbooks, 24 books were ultimately selected for consideration.
  - Requests for copies of these 24 text resulted in 11 books from publishers.
  - The winning text was “At War with the Weather: Managing Large-Scale risks in a New Era of Catastrophes” (MIT Press, 2009).
  - Authors of the winning text were:
    - Howard Kunreuther, University of Pennsylvania
    - Erwann Michel-Kerjan, University of Pennsylvania
    - Neil Doherty, University of Pennsylvania
    - Martin Grace, Georgia State University
    - Robert Klein, Georgia State University
    - Mark Pauly, University of Pennsylvania
- **Robert I. Mehr Award**  
*A literature contribution having a ten-year impact in the field of risk and insurance*
  - Georges Dionne chaired the Mehr award committee.
  - The winning article was “Survivor Bonds: Helping to Hedge Mortality Risk,” JRI June 2001, 68:2, pp. 339-348.
- **RMIR Award for the Best Feature Article**  
*Best feature article published in the Risk Management and Insurance Review*
  - Bill Ferguson was the chair this journal committee.
  - The winning article was “First-Party versus Third-Party Compensation for Automobile Accidents: Evidence from Canada,” RMIR Spring 2010, 13:1, pp21-44.
  - Authors of the winning article were:
    - Mary Kelly, Wilfrid Laurier University
    - Anne Kleffner, University of Calgary
    - Maureen Tomlinson, The Economical Insurance Group
- **RMIR Award for the Best Perspective Article**  
*Best perspectives article published in the Risk Management and Insurance Review*
  - Thomas Berry-Stoelze chaired the committee for the RMIR Best Perspectives Article Award.
  - Nadine Gatzert, University of Erlangen Nuerberg was the award recipient.

- Nadine’s article was titled “The Secondary Market for Life insurance in the United Kingdom,” RMIR Fall 2010, 13:2, pp. 279-301.
- **Robert C. Witt Award**  
*Outstanding feature article in the Journal of Risk and Insurance*
  - Richard MacMinn chaired the Robert C. Witt selection committee.
  - Alma Cohen, Tel Aviv University and Peter Siegelman, University of Connecticut School of Law were the award winners.
  - Their winning article was “Testing for Adverse Selection in Insurance Markets,” JRI March 2010, 70:1, pp. 39-84.

## VII Administrative Reports

### 1. Executive Office Report

- Five year contracts to continue housing the Executive Office at The Institutes and to retain Wiley-Blackwell as published for ARIA’s two journals were approved by the Board.
- Tony Biacchi will continue to serve as executive director.
- The negotiated fee with the Institutes holds the rental charge at the current \$40,000 for 2011, increases it to \$42,000 in 2012, and then increases the amount by a factor equal to the CPI in the three subsequent years.
- The contract with W-B will increase ARIA’s royalties from 25 percent to 35 percent for all revenues earned after a sales threshold is achieved.
- Tony reported that the reduced membership fee for international members appears to have had a positive impact. The following figures are offered to support that perception.
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Date	Total ARIA Members	International ARIA Members
June 2011	501	204
December 2010	497	194
June 2010	456	168

- Consistent with the discussion at the January meeting, ARIA funds were withdrawn from a portfolio managed by TIAA-CREF and deposited primarily with Vanguard. The allocation followed guidelines discussed at previous Board meetings. Funds for the Strickler account that were managed by Fidelity also were adjusted.
- As noted, contracts were executed with both The Institutes and ARIA.
- In addition, the contract for the editor of RMIR expires at the end of December 2011.

- A search committee found no successful candidates. As a result Mary Weiss was asked if she would continue if requested. Mary agreed.
- In an e-mail vote among the Board, there was unanimous agreement to offer Mary another three year term.
- An e-mail from Gene offered Mary the opportunity to continue in her position. A current contract was included in the message for Mary's review.
- The contract for the editor of the JRI comes due in December 2012.
- Georges asked the Board to pursue his successor as soon as possible so a smooth transition could occur.

## **VIII. Other Business**

### **1. Future Annual Meeting**

- The 2012 annual meeting will be held at The Depot Hotel in Minneapolis, MN
- The dates are August 5-8, 2012.
- The Depot was named the 2008 Minnesota Lodging Association (MLA) Properties of the Year.
- The 2013 meeting is scheduled for a location on the east coast.
- The Board packet provided information about Atlantic City, Toronto Canada, Montreal, Canada, and Baltimore. MD.
- After discussing the various options, the Board suggested further investigation into Baltimore, Boston, Philadelphia, and Washington, DC.

### **2. Collaboration**

- **ASSA Meeting**
  - Marty Grace coordinates ARIA's session at the ASSA meeting.
  - The next meeting is scheduled for January 6-8, 2012 at the Hyatt Regency-Chicago.
  - Registration and housing will open in mid September.
  - ARIA will present five papers at the conference.
    - Paper 1. "A Marginal Cost Model of Reinsurance Attachment Points, Catastrophe Risk and Government Intervention" by Martin Boyer and Charles Nyce
    - Paper 2. "Rating Standards for Catastrophic Risks and the Insurers' Capital Structure" by Anastasia V. Kartasheva and Sojung Park
    - Paper 3. "Asymmetric Information in Automobile Insurance: New Evidence from Telematics Data" by Alexander Mueermann and Daniela Straka
    - Paper 4. "The Marginal Cost of Risk, Risk Measures, and Capital Allocation" by Daniel Baurer and George M. Zanjani
    - Paper 5. "Financial Sector Integration and Information Spillovers: Effects of Operational Risk Events on U.S. Banks and Insurers" by J. David Cummins, Ran Wei, and Xiaoying Xie

### **•Griffith Foundation**

- A status report was prepared for distribution to the ARIA Board. The foundation reported the following activities:
  - Conducted six Insurance Education Institutes and trained over 200 high school and middle school teachers on how to teach insurance concepts.
  - Designed an online Institute intended to extend the geographic reach of the Teacher Institutes, and piloted Institute with Ball State.
  - Conducted two Insurance Career Institutes and educated 55 high school career counselors about careers in RMI.
  - Published educational materials for grades K-12 students.
  - Awarded 28 scholarships totaling \$36,850 to college students to study RMI or actuarial science.
  - Awarded program grants and curriculum planning assistance to the University of Central Oklahoma, the University of Wisconsin-Oshkosh, and Madison Technical College for the expansion or development of RMI programs.
  - Prepared three case studies on ERM for publication in a special edition of the RMIR.
  - Collaborated with ARIA to conduct a symposium “The 3Ms of Catastrophe Risk Management: Mitigation, Money, and (Residual) Markets.
  - Conducted three seminars on RMI for US House Financial Services staff, and three current topic workshops for National Conference of Insurance Legislators members
- Being a member of the Griffith Board, Vickie volunteered to answer any questions.

### **3. Strategic Thinking**

- Strategic planning initiated at the January meeting was only the first step in preparing a strategic initiative.
- Planning priorities will be shared with Board members who will be asked to suggest action items and activities.
- Further, strategic planning is not a finite activity. It must be continuous.

### **4. Adjournment**

- With no further business, a motion to adjourn the meeting was made by George, seconded by Gene and unanimously approved by the Board.
- The meeting adjourned at 2:20 PM.

Respectfully submitted,

Tony Biacchi, ARIA Executive Director