

**American Risk and Insurance Association
Board of Directors Meeting
Sunday, August 5, 2007**

I Opening

1. Call to Order

- The ARIA Board Meeting at the Annual Meeting was called to order at 8:35AM by President Jim Garven.
- Board Members Present:
 - Jim Garven, Mary Weiss, Terri Vaughan, Larry Cox, Vickie Bajtelsmit, Steve Weisbart, Debbie Babcock, Gene Lai, Richard Derrig, and Anne Kleffner
- Others Present:
 - David Sommer, George Zanjani, Ken Dauscher, Alicia Junta, Tony Biacchi

2. Approval of January 20, 2007 Board Minutes

- Larry motioned to approved minutes from the January 2007 Mid-year Board Meeting.
- Vickie offered a second and the motion carried without opposition.

II Corporate Finances

1. Budget and Financial Report

- **Annual Meeting**
 - A down payment was given to both the hotel and the AV provider for services associated with the annual meeting.
 - Annual meeting registrations as of Friday totaled 171 participants
 - 96 members
 - 39 students
 - 20 comps
 - 2 retirees
 - 14 non-members
 - A count taken just before this Board meeting showed an increased to 177 registrants, but a breakdown was not available.
 - ARIA is obligated to Loews for 477 sleeping nights. That number is 120 sleeping nights lower than last year. Still, the room block as of Friday was 455 sleeping nights.
 - If the room block of 477 sleeping nights is not satisfied, ARIA will be charged a meeting room rental fee of \$600 per day.

- Registration fees and sponsorship for the annual meeting will be insufficient to cover charges for the meeting. Excess revenues will be diverted to cover those costs.
- At the end of June, ARIA's investment portfolio, exclusive of deposits, had increased by 5.1 percent.
- **2007 Financials**
 - The balance sheet shows assets of \$329,844, an increase of \$53,000 over 2006.
 - ARIA's investment portfolio, both unrestricted and restricted funds, account for some of the increase in assets.
 - The income statement exceeds expectation as a result of higher than expected royalties.
 - Expenses that will occur during the second half of the year include approximately \$45,000 for the annual meeting, in addition to the \$30,000 already paid, \$12,000 for insurance, and \$13,000 for rent.
 - Monies received previously to support the Witt Award and \$6,000 received as a result of Richard MacMinn's solicitation of funds for the award were invested in Vanguard's Balanced Index account.
 - A monetary stipend will accompany the Witt award once the value of the portfolio exceeds \$10,000
 - The amount of ARIA's insurance premium was questioned. Tony noted that coverage has been discussed twice with the Institutes' agent. Tony again will discuss coverages with ARIA's agent.
 - An ad hoc group composed of Jim Garven, George Zanjani, Mary Weiss, and Gene Lai will look at ARIA investment goals and asset allocation.
- **2006 Audit**
 - A new firm was hired to audit ARIA's books. The former auditor merged with a larger concern and subsequently increased its rates.
 - The association's net assets were \$20,000 higher than 2005. Both royalties and favorable investment results contributed to the increase.
 - Tony was asked to request clarification on some of the items contained in the audit. One of those questions focused on the difference in net assets between 2005 and 2006.
- **Institutional Relations and Sponsorship**
 - Richard Derrig heads this initiative.
 - Rather than simply soliciting money, Richard suggested ARIA must offer something of value in return, as demonstrated by this year's "Industry Day."
 - Meeting comps should be offered to high level supporters.
 - The membership must take a more active role in institutional relations and support. One of the most beneficial activities would be personal contacts on behalf of the organization.
 - ARIA has taken the first step to collaborate with other organizations by requesting a student support grant funded by the Spencer Foundation, and

talking with the American Institutes about educational endeavors of mutual interest.

- The academic community continues to be a strong annual meeting supporter. Only two institutions did not repeat their support of this year's meeting.
- Canadian associations provided substantial support for the current meeting.
- The Board expressed its appreciation to Richard for his efforts in soliciting sponsors.
- The Griffith Foundation was the single contributor to ARIA's traditional institutional support campaign. They will be recognized as a meeting sponsor.
- Since ARIA is becoming more international, as represented in article submissions and meeting attendance, Given these findings, Richard offered the following recommendations:
 - Recognize that fundraising is tied to person-to-person contacts. "Something of value" must be given in return for that support.
 - Generalized perks must be replaced by a series of ARIA-partner relationships. Relationships with Spencer, Griffith, and the American Institute are a start.
 - Recruit more committee members who are willing to make person-to-person contacts.
 - Expand sponsorship beyond the US and Canada in recognition of ARIA's expanding membership.
 - Reach out for more partners, such as the Casualty Actuarial Society, a current best article sponsor, for financial assistance for large scale events, such as the upcoming World Congress.
- The end of the discussion resulted in a consensus endorsement for Richard's recommendations and a motion from Larry and seconded by Debbie.
- ARIA will discontinue institutional sponsorship and eliminate in-kind sponsorship in favor of organizational support. This information will be removed from the website.

III Scholarship Activities

1. ARIA Journals

- JRI Editor's Report
 - Georges Dionne now assumes the editorship of the JRI.
 - He is assisted by five co-editors and a group of associate editors.
 - Claire Boisvert serves as assistant editor.
 - 30 percent of the editorial board members live outside the USA.
 - The number of submissions continues to increase and the acceptance rate continues to decrease.

- Forty of 78 articles received in 2007 were submitted by international authors.
- This fairly comparable distribution of submissions between US and international authors has been noted since 2002.
- As of July, 42 papers were awaiting publication, 14 of those papers had been accepted in 2005.
- Nine articles from 2005 and 2006 will be published in the September issue of JRI.
- The September issue will focus on life insurance.
- As a result of the backlog, and the potential for the reduced significance of a delayed article, JRI's impact factor could diminish. On the other hand, special issues tend to increase the impact factor.
- Processing time continues to be lengthy. Currently the average processing time is 64 days. The editor is working to reduce this timeframe.
- Also related to timing, Larry worried about the efficacy of having papers go through four reviews only to be rejected.
- Georges will attempt to be tougher on the first review, thus reducing the number of articles that are rejected in a third or fourth iteration. George also is the ultimate decision maker.
- A special issue of the March 2008 JRI likely will contain papers from a conference entitled "New Forms of Risk Sharing and Risk Engineering" that will be jointly sponsored by SCOR and JRI.
- However, that only increases the wait time for accepted articles.
- Publishing two issues in March 2008, one for the regular issue of JRI and one for the SCOR will be considered if special funding is available.
- Should ARIA consider publishing JRI more frequently, such as bi-monthly? Not at the moment.
- The editorial board plans to use special issues based on conferences to increase the quality of submissions and the number of citations.
- Georges reported the JRI's impact factor showed a substantial increase in 2006. The number jumped from .328 in 2005 to .722 in 2006.
- Georges was quick to give credit to the two previous editors, Pat Brockett and Richard MacMinn.
- A continuation of this relatively high factor is possible next year.
- The JRI is in the process of implementing an Internet manuscript management system that should be operational by January 2008.
- Internet access to JRI increased 42 percent in 2006. 138,878 downloads were registered by Blackwell and other on-line hosts.
- The page count for JRI increased to 1,000 pages for 2007 and 2008. Steve asked about the backlog two and three years into the future. Georges was hopeful all acceptances from 2005, and most of those from 2006, will be published by the end of 2008.
- George ultimately will decide on the page count for future editions.

- Georges closed his report with a note of thanks “to the referees and authors who are devoted to the development and the study of risk and insurance.”
 - RMIR Editor’s Report
 - Mary Weiss is editor of The Risk Management and Insurance Review.
 - Mary introduced Joseph Qui, the new assistant editor, to the Board.
 - Mary reported on the contents of the spring edition and the forthcoming fall edition which is currently at the publisher.
 - 31 new submissions and 28 resubmissions were received between July 1, 2006 and June 30, 2007.
 - Mary reported only two of 24 articles that completed a first round review were accepted for publication.
 - Some submissions must go through four rounds before acceptance.
 - Median turn around time is 48.5 days.
 - Mary’s goal is a six week turn-around, and no more than three months.
 - Mary announced plans to publish presentations from last year’s annual meeting plenary sessions and portions of the Enterprise Risk Management Symposium organized by the Griffith Foundation.
 - Pending approval of the authors, plenary sessions from the 2007 meeting also will be published.
 - Mary has a rudimentary tracking system that uses Excel to monitor the editorial process. Access software might be used in the future. Bottom line, Mary would like to improve the editorial tracking system if funds are available.
 - Blackwell offered its management system, but Mary noted the cost is not justified for a journal that evaluates only 50 submissions per year.
 - The development of a RMIR web site separate from Blackwell also is desirable. She will discuss the matter further with Georges Dionne.
 - Mary would like pre-Blackwell articles available on Synergy. Jon Gurstelle will talk individually to Mary.
 - Georges Dionne asked about the lack of RMIR presence on JSTOR. Apparently a journal must be 10 years old and published four times per year.
 - Honoring Former JRI Editors
 - A plaque showing the covers of the first and final journals published by Pat Brockett and Richard MacMinn was prepared to honor their years as editors.
 - Neither recipient is registered to attend this year’s meeting. Still, one of the plaques will be placed on display at the registration desk.
- 2. Report from Blackwell (2006)**
- Jon Gurstelle substituted for Amanda Chaloupka.
 - Excerpts from Blackwell’s 2006 annual report included:
 - 98 percent renewal of full-time institutional subscriptions for JRI and a 104 percent increase for RMIR; the association average is 95 percent
 - 112 percent renewal of ARIA members

- JRI's impact factor for 2005 decreased from 0.441 to 0.328. After increasing from 2002 to 2003, the impact factor declined for two consecutive years, 2004 and 2005.
 - However, as reported in a spring e-mail from Blackwell, the 2006 impact factor increased substantially to .722.
 - On-line readership of both JRI and RMIR increased significantly in 2006.
 - When questioned about the cost of on-line subscriptions to ARIA's journals, Jon noted the saving is only five percent.
 - Blackwell was pleased to announce an increase among institutional subscription renewals for both of ARIA's journals and an improvement in ARIA's membership (up to 559 individuals).
 - Page six of the Blackwell report contained a reference to philanthropic subscriptions. Those are reduced subscriptions to Blackwell journals at specific libraries in developing countries. The program is operated by the World Health Organizations.
 - A check for \$42,000 representing ARIA's portion of anticipated membership dues was paid to ARIA.
 - Jon elaborated on Blackwell's merger with Wiley Publishing and the expectation that their presence in the Far East could increase ARIA's exposure in Asia.
 - The implications of an on-line early listing for articles that are awaiting publication were discussed briefly.
 - Articles should have a digital object identifier before being posted. Katie Gaines, at Blackwell, can provide additional information.
- 3. 2007 Annual Meeting**
- 149 proposals were submitted for consideration as presentations at the annual meeting. This is an increase from last year's count of 131.
 - 96 papers were accepted.
 - The Board would like presentations downloaded to the web site earlier than is currently done. Satisfying this request suggests presenters must have their papers ready at least one or two weeks before the meeting. Subsequent edits can be made, but attendees want advanced information.
 - Some presenters apparently viewed the July 7 submission deadline as a suggestion.
 - Approximately 2/3 of the papers currently are available on ARIA's web site.
 - In reviewing the process for submitting papers, should papers be evaluated on completeness?
 - A three page summary might not do justice to a paper. In the same respect, the summary might create an expectation that will not be realized.
- 4. ARIA Awards Reports**
- Award winners for the various awards are:
 - **Hedges Undergraduate Student Award**
Grace Chi, Florida State University
 - **Strickler Innovation in Instruction Award**
"The Risk Management Challenge"

Nat Pope, Illinois State University
James R. Jones, Illinois State University, Katie School

- **Kulp -Wright Book Award**
An outstanding original contribution to the literature of risk and insurance
“Economic and Financial Decisions Under Risk,” Princeton University Press, 2005.
Louis Eeckhoudt, Catholic Faculties of Mons
Christian Gollier, University of Toulouse
Harris Schlesinger, University of Alabama
- **Robert C. Witt Award**
Outstanding Feature Article in the Journal of Risk and Insurance
“Can Bonus-Malus Alleviate Insurance Fraud?” *JRI*, 73(1): 123-151.
Ignacio Moreno, University of Madrid
Francisco Vazquez, University of Madrid
Richard Watt, University of Madrid
- **Robert I. Mehr Award**
A literature contribution having a ten-year impact in the field of risk and insurance
“Catastrophe Insurance, Capital Markets, and Uninsurable Risks,” *JRI*, 64(2): 205-230.
Dwight Jaffee, University of California Berkeley
Thomas Russell, Santa Clara University
- **RMIR Award for the Best Feature Article**
Best feature article published in the Risk Management and Insurance Review
“Opaqueness in the Insurance Industry: Why Are Some Insurers Harder to Evaluate than Others?” *RMIR*, 9(2): 149-163.
Steven W. Pottier, University of Georgia
David W. Sommer, University of Georgia, St Mary’s University
- **RMIR Award for the Best Perspective Article**
Best perspectives article published in the Risk Management and Insurance Review
“An Examination of Alternative Approaches to Risk Management and Insurance Research,” *RMIR*, 9(1): 63-74.
Mark S. Dorfman, University of North Carolina, Charlotte
Steven C. Tippins, Roosevelt University
- **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
Martin Boyer, HEC Montreal
- **Excellence in Teaching Award**
In recognition of excellence in teaching in the Risk Management and Insurance field
Robert E. Hoyt, University of Georgia

- **ARIA Outstanding Achievement Award**
For furthering the science of risk and insurance through the promotion of education, research, and communication during their tenure as Editors of the Journal of Risk and Insurance
 Patrick L. Brockett, University of Texas-Austin
 Richard MacMinn, Illinois State University

- **ARIA President's Award**
In recognition and appreciation for commitment and dedicated service to the Association
 Richard Derrig, OPAL Consulting
- **Casualty Actuarial Society Award**
A paper published by ARIA (in either the JRI or RMIR) in the prior year that is most valuable to casualty actuarial science
 "Solvency, Capital Allocation, and Fair Rate of Return in Insurance," *JRI*, 73(1): 71-96.
 Michael Sherris, University of New South Wales, Sydney, Australia
- Les Strickler Innovations in Instruction Award Report
 - Martin Halek and David Eckles co-chaired the selection committee.
 - Eight proposals were submitted for consideration.
 - The proposals were evaluated on a weighted rating scale with the following weights: creativity – 40 percent, content – 20 percent, transferability – 20 percent, and potential value to RMI education – 20 percent.
 - The winning submission is identified in the list presented above.
- New Teaching Awards Report
 - Jim Carson chaired the selection committee for the two new teaching awards, ARIA Early Career Scholarly Achievement Award and ARIA Excellence in Teaching.
 - ARIA Early Career Scholarly Achievement Award
 - Three persons applied for or were nominated for this award.
 - All candidates received first place votes, but Martin Boyer received the most votes and was determined the winner.
 - ARIA Excellence in Teaching Award
 - One application was considered for the ARIA Excellence in Teaching Award.
 - The applicant was an excellent choice and Rob Hoyt was selected as the recipient of the award.
- Several winners were not registered for the annual meeting. The executive office is charged with contacting winners and encouraging their attendance at the meeting to accept the award.

IV Membership Services

1. Nominations and Elections

- 149 ballots were cast in the election of officers.
- Elected to serve ARIA in the 2007-2008 year were:
 - President – Mary A. Weiss
 - President elect – Terri Vaughan
 - Vice president – Vickie Bajtelsmit
 - Board member – David Sommer (2010)
 - Board member – George Zanjani (2010)
- Tony informed the Board that each ballot was assigned a unique ID to eliminate multiple voting.
- George Dionne attempted to vote twice to test the security of the voting system and verified to the Board that he could not vote a second time.
- Terri motioned to accept the process of validating the vote count. Debbie seconded the motion. On the question, Richard suggested the use of a random skip method to assign numbers to each ARIA member.
- Debbie noted the validation process should be incorporated into the By-Laws.

2. Membership

- Kathleen McCullough heads the Membership Committee.
- The committee set three main goals for this year:
 - To continue to analyze membership data for the last several years from various insurance organizations in order to identify trends in the number and types of members who join the organization and/or are no longer participating in the organization
 - Better analyze the “one-year” members identified in the 2006 End of the Year Report to determine the nature of these members and possibly how these members can be retained
 - Better analyze characteristics of members who left the organization in the last several years
- In looking back on their accomplishments to date, the committee provided feedback on a letter sent to new members and updated a database monitoring system that focused on membership trends in several risk management and insurance associations.
- The Board did not look further into these data because of a possible inconsistency with data provided by Blackwell. Membership has increased. While the time periods are not exact, Blackwell reported a 2006 year end increase in membership from 465 to 519 (p. 6) rather than a loss. Tony will ask Lee to reconcile the data and discuss the findings with Kathleen.

3. Web Oversight

- Ryan Lee chairs the Web Oversight Committee.
- The committee’s goal for the year was the development of a set of guidelines related to the continued operation and maintenance of ARIA’s web site.

- The guidelines were intended to set reasonable expectations regarding the time required to update the web site.
- The committee proposed a set of standards for adoption by the Board concerning the ongoing maintenance of ARIA’s web site.
- Much of the web site’s contents are more informational than archival. New information should be updated within 6 – 8 business days.
- In all likelihood, some of this information will first circulate through listserv.
- Page layouts and tasks that require a rework should be completed within two weeks.
- A job posting and a call for papers should be placed on the web site within four days.
- Annual meeting updates and other time sensitive material should be posted within 48 hours.
- Understandably the format of the request affects the timeliness of a posting. A link is much easier to post than assembling raw information.
- The committee opines that all information from external parties should be provided either as a static link to a non-ARIA server OR as a PDF file.
- The following chart was contained in the committee’s report

Type of Information	Expected Time to Website
ARIA Business (e.g., annual meeting information, election documentation)	2 business days
External time-sensitive announcements (e.g., Job Postings, Call for Papers)	4 business days
Non-time-sensitive information (e.g., updates of Award winners, website layout requests)	6 to 8 business days

- In an effort to coordinate web site activities, the committee recommends all communication with the web master should channel through the executive office. This protocol should be communicated to all members, particularly committee chairs who might be primary users of the web site.
- Decisions for large scale changes should be communicated to the webmaster as soon as possible.
- However, individuals must understand that unforeseen situations can delay a posting.
- The committee suggested the Board take steps to explore ways to make the web site more informative and useful to the membership.
- To this end, Ryan communicated with Beaumont Vance of Sun Microsystems and the editor of *Risk Management Reports*. Beaumont already has set up a site called riskipedia.
- The committee suggested a subgroup be formed to further investigate options available through collaboration with Beaumont.
- The Board was skeptical about pursuing such an association.
- The committee also reported that changes suggested to the home page were made by the webmaster.
- Exploration of a left-hand water mark has been requested.

4. Newsletter

- Diana Lee is production editor of ARIA's newsletter.
- The 16-page spring edition was mailed to members and posted on the web site.
- Personal articles in the spring edition focused on Mark Dorfman who passed away in December, and on the retirement of Jerry Todd.
- Preparations are underway for the fall issues which will have an international focus.
- Several individuals have offered to contribute articles to the fall issue, including Marcus Martins, Andreas Richter, and Michael Sherris.
- Mary Weiss will publish her presidential message.
- The fall issue is scheduled for release by the end of October.
- As always, Diana welcomes suggestions and ideas from the membership.

5. Placement

- Anne Kleffner coordinates job placements on ARIA's web site.
- The goal of placement services is to provide easy access to information for those looking for academic/research positions and for those organizations looking to fill academic/research positions.
- One new resume was posted since the January 2007 report to the Board.
- Fourteen academic/research positions were posted since the last report.
- Eight inquiries for non-research/academic jobs were not approved for posting since they did not meet requirements.
- Anne voiced concern that some announcements have not been posted in a timely manner.

V Administrative Reports

1. Strategic Planning

- While strategic planning was not address specifically, Board activities such as the collaboration and sponsorship initiatives support strategic plan projects and plans.

2. Executive Director's Report

- Much of Tony's report is contained in other agenda items.
- Tony reported several notable events since the January Board meeting.
- Blackwell reported royalties of \$57,589.
- Unfortunately, the Society of Insurance Research discontinued RMIR subscriptions to its members as a cost cutting measure.
- The electronic vote was very successful. While the turn out exceeded last year by 20, a higher participation was desired. Still, the electronic vote saved ARIA both time and money.

- The project with JSTOR to archive JRI articles was delayed because the Executive Office also wanted to archive RMIR articles. Old RMIR articles were written using JAZ software.
- An IT consultant continues to update the membership database.

VI Other Business

1. Collaboration Activities

- Spencer Foundation
 - Alicia Junta represented the Spencer Foundation at the Board meeting.
 - Applications for Spencer scholarships increased substantially as a result of the GPA requirement being lowered to 3.0.
 - Of 120 applications, 30 received financial assistance.
 - Alicia noted that ARIA's RFP for financial assistance to support student attendance at ARIA meetings was rejected because of its similarity to a program that currently receives funds and because of a shortfall in Spencer's financial resources.
 - Alicia suggested ARIA consider an RFP to support graduate or PhD students.
 - In addition to funding proposals, Spencer provides resources for internship and risk manager in residence programs.
 - Richard suggested the risk manager in residence program could be enhanced if students also visited the risk manager.
 - ARIA should make the membership aware of the resources available from the Spencer and Griffith Foundations.
 - A list of Spencer programs will be sent to the executive office for circulation to the membership via listserv.
 - The name of a specific contact person at the Spencer Foundation would be helpful.
 - Looking forward, next year's program committee could consider a greater risk management presence at the meeting.
- American Institute for CPCU
 - The Institutes new business model involves developing small online learning objects or modules rather than semester length courses.
 - Ken Dauscher came before the Board with a proposal outlining areas where ARIA and the Institutes could collaborate including:
 - Custom college (or company) courses - Combining learning objects to create custom courses. ARIA members could assist in the formation of these courses.
 - Providing opportunities to use Institutes materials in university courses that can be used for credit toward professional designations
 - Specialized subject matter expertise provided by ARIA members – ARIA members could assist the Institutes in developing content for learning objects.

- Partnering to provide seminars and workshops – ARIA might have the occasion to provide training to the Institutes’ corporate clients.
- Promotional opportunities – The Institutes can assist ARIA members in forming linkages with companies.
- Lesson plans for public class instructors – While insurance companies have training departments, some require assistance in developing curriculum. ARIA members could assemble learning objects that address these needs.
- International partnerships – Both ARIA and the Institutes have contacts throughout the world. Each organization could benefit from these relationships.
- Several immediate opportunities are:
 - Reviewing “learning objects”
 - Waiving a CPCU exam for students taking a course that use Institutes texts covering the same material
 - Developing scholarship programs under joint ARIA/Institutes sponsorship
 - Assisting ARIA in planning company or agency-oriented content or programming
- ARIA and the Institutes could develop a joint survey to determine the membership’s interest in collaboration activities with the Institutes.
- ASSA Exploratory Committee
 - The Board will continue to work toward establishing a presence at ASSA’s June annual meeting.

VII New Business

1. Editorial Review

- Anne will chair a committee to evaluate the RMIR editor according to guidelines established in 2006.
- Anne was charged with forming a committee and reporting to the Board at the January mid-year meeting.

2. Executive Office Contract Renewal

- The contract to house ARIA’s Executive Office at the American Institute for CPCU expires at the end of 2007.
- Gene motioned, Vickie seconded, and the Board accepted an Institutes offer (with revisions) for a three year contract at \$40,000 per year.
- Tony will share the revised agreement with the Board before presenting it to the Institutes for their consideration.

3. 2008 Annual Meeting

- A contract was signed to hold the 2008 meeting at the Marriott Waterfront Hotel in Portland, OR.
- The meeting is scheduled for August 3 through August 6.

4. Adjournment

- With no further business, a motion to adjourn the meeting was made by Jim and seconded by Debbie. The meeting was adjourned at 3:13 PM.

Respectfully submitted,

Tony Biacchi, ARIA Executive Director