AMERICAN RISK AND INSURANCE ASSOCIATION

Mid-Year Board of Directors Meeting
Salt Lake City
February 27 & 28, 1993

MINUTES

The American Risk and Insurance Association Board of Directors met on Saturday, February 27 at Little America at 1:45 p.m.

Present were: Jerry Jorgensen, Harold Skipper, Jr., Joan Schmit, David Cummins, Harris Schlesinger, Richard Derrig, Anita Benedetti, Norma Nielson, Rodger Lawson, Bruce Palmer, Jerry Todd, and Patricia Cheshier.

The minutes of the August 1992 Board of Directors meeting were revised to properly reflect the Board's decision to reevaluate complimentary meeting registrations at the mid-year Board Meeting. A motion was passed to accept the revised August 1992 minutes.

Executive Director's Report

Patricia Cheshier reported some additional transition costs and the completion of the transition. A new database, PARADOX, and accounting software were installed with additional information now being input and available by June. Visa and Mastercard credit card services have been added. This will be especially helpful to international members.

Patricia presented the membership and financial reports. Membership is similar to last year. The financial report indicated a significantly larger annual meeting deficit of approximately $13,000. Pat recommended the American Risk and Insurance Association change its current fiscal year to a calendar year to more accurately match revenues and expenses. Implications of the change were discussed, including whether officers' and directors' terms should also change. Jerry Jorgensen directed the Executive Committee to study the issues and make a recommendation at the annual meeting.

Patricia noted the current bylaws require the financial statements to be audited annually. The American Risk and Insurance Association has had their financial statements reviewed annually. Audits are approximately twice the review cost. Harris Schlesinger moved and the Board approved a proposed amendment to the Bylaws be sent to the membership for approval. The change would require financial statements to be reviewed once a year and audited no less than every three years.

COMMITTEE REPORTS

Membership Committee

Jerry Jorgensen presented Dave Cather's written Academic Membership report. Reminders are being sent to non-renewing members of the American Risk and Insurance Association. Reciprocal advertising has been arranged with two finance journals. *Journal of Risk and Insurance* advertising brochures were discussed and will continue to be explored. It was recommended the American Risk and Insurance Association support expansion of international academic membership.

Rodger Lawson's general membership report focused on a discussion of a new brochure specifically targeted to new general members. The new brochure, with an accompanying letter and press release, would be mailed to all general renewing and non-renewing members. (The Alliance of American Insurers donated design and printing costs; The Massachusetts AIB assumed the mailing costs.) A reduced fee incentive for new general members was proposed by the committee to be included and was approved by the Board. A general member "Hot Topics" lunch was also to be added to the San Francisco program as another membership incentive. Finally, it was agreed that other insurance professional organizations would be contacted for free publicity about the General Membership program. The use of the brochure for academic members was considered but it was suggested a separate brochure be developed for academics. The Executive Committee was to approve the final brochure and incentive general membership fee.

Institutional Sponsor Committee

Harold Skipper's report of the Institutional Sponsor Committee indicated that membership was down. He and Jerry Jorgensen will contact executives of companies they know. The Board was invited to participate in contacting non-renewing sponsors. A statement of benefits for institutional sponsors was needed. Rodger Lawson volunteered to write it. Discussion of various modifications of sponsor levels ensued. Harold Skipper volunteered to draft a letter to be used by the board members in contacting sponsors. The letter and Rodger's statement of benefits will be sent to the Board.

JRI Editor's Report

David Cummins' report discussed a change in editorial objective—"To be the best refereed journal specializing in insurance economics and risk management." He indicated that one change implemented to achieve this goal was an expansion of the Associate Editor's efforts to increase visibility and attract a broader constituency. A second change entails including the Associate Editors as primary reviewers. Symposia will be included in the *Journal of Risk and Insurance*. David indicated advertising exchange has been arranged with the *Journal of Finance*.

Eighty-one papers were submitted in 1992. *Journal of Risk and Insurance* cover changes were proposed and samples submitted. The Board voted to change the cover beginning March 1993 if possible. The University of Pennsylvania was acknowledged for its design work.

A brochure advertising the *Journal of Risk and Insurance* was also proposed. If money exists, the brochure will be pursued. The Board suggested David

Cather and Dave Cummins proceed with contacts to other journals sympathetic to reciprocal advertising.

Awards Committee

Jerry Jorgensen indicated all the awards committees are meeting and evaluations are in process. A letter for Les Strickler indicated a final check for Innovation-in-Teaching Awards. Jerry Jorgensen will thank Les for his support.

Placement and Nominations Committee

Jerry Jorgensen reported the Nominations and Placement Committees were proceeding.

Program Committee

Joan Schmit's report on the 1993 Annual Meeting noted the meeting's plenary speakers. Roundtables this year will have themes and solicited speakers. Social activities will attempt to integrate new members and computer displays of teaching innovations will be available.

Strategic Planning Committee

Harold Skipper reported the Committee was examining recommendations for the American Risk and Insurance Association to pursue and would make recommendations in August.

Faculty Fellowship Committee

Jerry Jorgensen reported for Bill Rabel that the survey was proceeding and will be summarized at the Annual Meeting.

ARIA Newsletter

Jerry Todd indicated he needs input for the newsletter and will publish relevant conferences. The FORUM will also include an advertising insert to general members.

Budget Committee

Harold Skipper reported on the proposed budget for 1993-1994. Because of the costs, subscriber dues will increase to $90.00 plus airmail fees. Additional sponsors will be solicited. Guidelines were discussed for the President's attendance at other conferences.

Ad Hoc Publication Committee

Jerry Jorgensen met with representatives of the Western Risk and Insurance Association and the Southern Risk and Insurance Association. Further information will be solicited and reviewed at the August Meeting.

Annual Meeting Registration and Costs

Patricia Cheshier presented a cost breakdown of the 1992 Annual Meeting which had a deficit of almost $13,000.00. It was moved, seconded, and passed that the meeting must breakeven at a minimum. The following changes were approved by the Board after a motion by Anita Benedetti and seconded by Bruce Palmer:

1) Complimentary Registrations will be for Institutional Sponsors, non-ARIA Plenary Speakers, and Reciprocal Organizations's Representatives.
2) Student and Retired Registrations will be half-price.
3) Meeting Sponsorship will be increased.
4) President's Reception Expenses will be limited.
5) A two drink coupon will be provided members for the reception as meeting sponsors do not usually cover the total costs.
6) Spouses/family/guests will be charged the marginal costs for meals.
7) Meeting Registration Fee will be $100.00 for ARIA members, $135.00 for non-members, and a $25.00 late fee at the meeting.
8) No Dues changes will be made at this time.

1997 Meeting Site

Harold Skipper moved and Norma Nielson seconded and the Board voted to hold the 1997 Annual Meeting in Salt Lake City.

Other Business

Patricia Cheshier also offered her resignation at the end of her term, December 1994, but is willing to serve throughout the August 1995 meeting to ease transition.

The Board approved a 3/4 ARIA assistant appointment and suggested Job Descriptions be written for Executive Director and Administrative Assistant.

A Membership Directory will be published after the new database is installed.

Patricia Cheshier noted ARIA's support of Ethics Awareness Month.