



The Next Step

RIMS 2007 Annual Report



The Next Step

RIMS 2007 Annual Report

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RIMS achieved a major milestone in early 2007—reaching and exceeding the 10,000 member marker! With this exciting milestone in hand, RIMS continues to demonstrate value to risk professionals with its mission to provide exceptional learning opportunities, resourceful tools and services, advocacy that makes a difference and support that enables the Society to form a stronger bond with the risk community. RIMS is the leading association for risk management professionals. Our members look to us to provide educational opportunities as well as a forum for creative and progressive risk management ideas—and we deliver. The highlights of our 2007 activities are described below.

New Developments

RIMS expanded its tools and services in 2007 by publishing our *Enterprise Risk Management for Dummies* guide and the *2007 Risk Management Compensation Survey*. In support of our 80 chapters, RIMS hosted several Building a Stronger Chapter workshops and launched new partner and program offerings in the Professional Exchange of Risk Knowledge (PERK) chapter programming series.

Challenging the Hill

Our activities in 2007 strengthened our presence in Washington, D.C. In addition to working with legislative staff to improve the definition of a “qualified risk manager” included in an earlier version of the U.S. House of Representatives Surplus Lines Bill, we also met with key leaders on important, pending legislation and worked hard to extend the Terrorism Risk Insurance Act (TRIA). TRIA and the Surplus Lines legislation were hot topics at *RIMS on the Hill Legislative Conference*, which exposed RIMS members to lobbying opportunities on Capitol Hill. Also in 2007, RIMS launched an in-depth online *Legislative Action Center* that highlights our legislative priorities and provides an extensive—and interactive—database on members of Congress. RIMS expanded its efforts beyond U.S. federal issues by announcing its State and Regulatory Affairs Program that will assist chapters in kick-starting local external affairs programs.

Knowledge Development

Risk professionals have demonstrated their thirst for knowledge by coming to RIMS to satisfy educational needs. Last year, RIMS professional development courses and RIMS Fellow® designation workshops attracted more than 950 risk professionals to 51 class offerings, more than half of which reached “sold out” status! RIMS also stepped outside of conventional learning to offer numerous webinars, online courses and in-company training programs.

Exceptional Event Offerings

RIMS premier industry event—*RIMS Annual Conference & Exhibition*—drew more than 9,000 risk practitioners to New Orleans, featured 160 educational sessions and 400 speakers. Keynote events and “Hot Topic” sessions focused on pandemics, climate change, globalization, business continuity and preparedness, crisis management, enterprise risk management (ERM)—and so much more! And the sold-out Exhibit Hall featured 435 exhibitors showcasing the latest services and products for risk professionals! New Orleans welcomed RIMS, attendees, our sponsors and exhibitors with open arms and showed us how far it’s come since the devastation of Hurricane Katrina. Thank you to New Orleans for being a gracious host city for another successful and exciting RIMS conference!

Taking the Next Step

This past year, RIMS has been busy supporting the needs of our 10,500+ members—who we hope are taking full advantage of RIMS membership and all the tools and resources that we have developed. This is a thrilling time for the discipline of risk management. RIMS goal is to help risk professionals take their risk programs and careers to the next level. We pledge to continue to use our resources to expand our membership privileges with new technology, content and ideas.

We extend our appreciation to the dedicated leadership and volunteers at both the Society and chapter levels, RIMS staff and of course, to our members. We look forward to bringing many new and exciting tools and benefits to help members achieve further successes for their organizations.

Very truly yours,

Janice Ochenkowski, ARM
President

Mary Roth, ARM
Executive Director



Janice Ochenkowski, ARM
President

Mary Roth, ARM
Executive Director

Board of Directors

RIMS 2007-2008



President and Director

Janice Ochenkowski, ARM
*Managing Director
 Jones Lang LaSalle Incorporated*



Vice President and Director

Joseph A. Restoule, CIP, CRM
*Leader, Risk Management
 NOVA Chemicals Corp.*



Treasurer and Director

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*Risk and Benefits Officer
 Miami-Dade County Public Schools*



Secretary and Director

Deborah M. Luthi, ARM, CCSA
*Director, Risk Management Services
 University of California, Davis*

Directors



Janet E. Barnes, ARM
*Risk Manager
 Snohomish County Public Utility
 District No. 1*



Karen K. Beier, ARM
*Vice President, Risk Management
 Shaklee Corporation*



Terry Fleming
*Director, Division of Risk
 Management
 Montgomery County, Maryland*



John B. Hughes, ARM
*Director, Risk Management
 Alex Lee, Inc.*



**Daniel H. Kugler, ACI, AIC,
 ARM, CEBS, CPCU**
*Assistant Treasurer, Risk
 Management
 Snap-on, Inc.*



W. Michael McDonald, ARM
*Vice President, Risk Management
 Quality Distribution, Inc.*



John R. Phelps, ARM, CBCP, CPCU
*Director, Business Risk Solutions
 Blue Cross and Blue Shield of
 Florida, Inc.*



**Richard J. Roberts, Jr., ALCM,
 ARM, CPCU, RF**
*Corporate Risk Manager
 Ensign-Bickford Industries, Inc.*



**Wayne L. Salen, ARM,
 CHCM, CPSM**
*Director, Risk Management
 Labor Finders International, Inc.*



Nowell R. Seaman, CIP, CRM
*Manager, Risk Management and
 Insurance Services
 University of Saskatchewan*



Carolyn M. Snow, CPCU
*Director, Insurance Risk
 Management
 Humana, Inc.*



Ex Officio
Michael Liebowitz
*Director, Risk Management and Insurance
 New York University*



Mary Roth, ARM
Executive Director



About the Risk and Insurance Management Society, Inc.

The Risk and Insurance Management Society, Inc. (RIMS) is a not-for-profit membership organization dedicated to advancing the practice of risk management. RIMS provides the risk management community with career, news, educational and networking resources. It also lobbies on legislation affecting businesses, commercial insurance and corporate risk management. Founded in 1950, RIMS represents more than 4,000 industrial, service, nonprofit, charitable and governmental entities. The Society serves more than 10,500 risk management professionals around the world.

www.RIMS.org

RIMS STAFF

RIMS staff is tasked with supporting the Society's members by providing risk professionals with the information, resources and tools they need to succeed.

RIMS SENIOR STAFF

Executive Director: *Mary Roth, ARM*
General Counsel: *R. Mark Prysock*
Chief Financial Officer: *Lynn Chambers*
Chief Information Officer: *Andy Steggles*
Director of Government Affairs: *Katherine E. Doddridge*
Director of Marketing and Communications: *Inna Getselis*
Director of Meetings and Events: *Salvatore J. Chiarelli*
Director of Membership and Chapter Services: *Jill Berman Levy*
Director of Professional Development: *Vincent Seglior*
Director of Publications: *Bill Coffin*

Executive Office

Executive Director: *Mary Roth, ARM*
General Counsel: *R. Mark Prysock*
Director of Government Affairs: *Katherine E. Doddridge*
State and Regulatory Affairs Associate: *Nathan Bacchus*
Human Resources Manager: *Deborah Flam*
Executive Assistant: *Aurea Hernando*

Finance and Administration

Chief Financial Officer: *Lynn Chambers*
Controller: *David Haar*
Accountant: *Martha Agostini*
Accountant: *Debbie Labayen*
Accounting Clerk: *Servio Montero*
Mailroom and Office Services: *Ian Ellis*

Information Technology

Chief Information Officer: *Andy Steggles*
Senior Systems Developer: *Scott Baldrige*
Senior Systems Developer: *Bronia Mynbaeva*
Information Technology Manager: *Meg McGeady*
Network Administrator: *Eugene Frazier*
Webmaster: *Vyn Raskopf*
Records Management Manager: *Donna Lynn Pilato*
Records Management Associate: *Evangelyn Duran*
Records Management Associate: *Joyce Fescina*
Records Management Administrator: *JoAnn LoRe*

Marketing and Communications

Director of Marketing and Communications: *Inna Getselis*
Marketing Manager: *Robin Tallant*
Marketing Manager: *Amy Kugali*
Marketing Associate: *Emilia Fuksin*
Communications Associate: *Felicia J. Messimer*
Graphic Design Manager: *Joe Zwiulich*
Senior Designer: *Joseph Ricci*
Spencer Educational Foundation Administrative Manager: *Angela Sabatino*

Meetings and Events

Director of Meetings and Events: *Salvatore J. Chiarelli*
Meetings and Events Manager: *Blanca Ferreris, CMP*
Meetings and Events Associate: *Theresa Medina*
Meeting Planner: *Samantha Cohn, CMP*
Conference Operations Manager: *Ann Marie Devine, CEM*
Conference Sales Manager: *Danielle SanMarco, CEM*
Senior Conference Programming Specialist: *Kamy Persaud*

Membership and Chapter Services

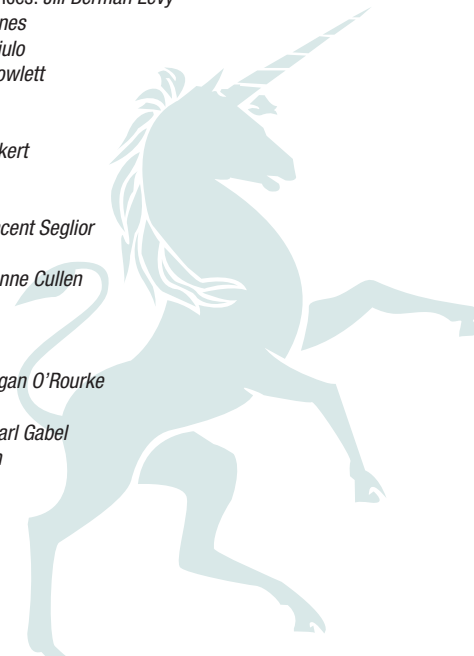
Director of Membership and Chapter Services: *Jill Berman Levy*
Member Services Manager: *Robert Tuscanes*
Member Services Associate: *Wendy Gargiulo*
Member Services Associate: *Shavonne Howlett*
Chapter Services Manager: *Cindy Tiritilli*
Chapter Services Liaison: *Darlene Lebron*
New York Chapter Administrator: *Mimi Eckert*

Professional Development

Director of Professional Development: *Vincent Seglior*
Education Manager: *Fran Jordan*
Education and Research Associate: *Marianne Cullen*

Publications

Director of Publications: *Bill Coffin*
Editor-in-Chief of *Risk Management*: *Morgan O'Rourke*
Editor of *Risk Management*: *Jared Wade*
Associate Editor of *Risk Management*: *Pearl Gabel*
Senior Advertising Manager: *Ted Donovan*
Account Manager: *Lynne Lancaster*
Circulation Coordinator: *Callie Nelson*
Senior Designer: *Karen Arbasetti*

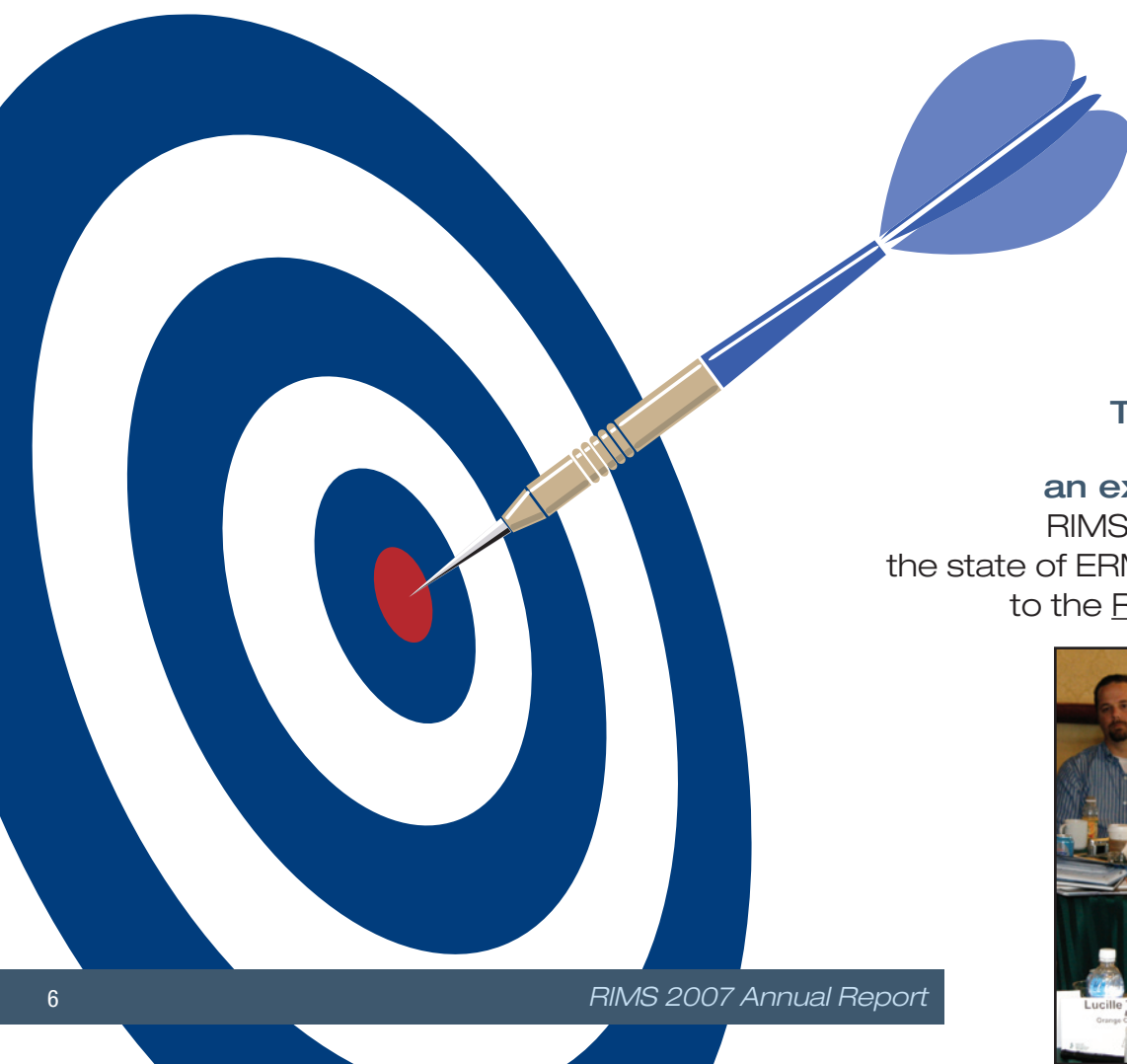
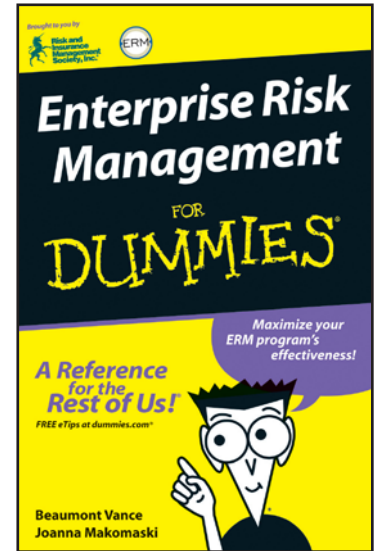


Forging Solid Relationships

RIMS reached a major membership milestone this year—10,000 members, and the Society continues to grow as the profile of risk management elevates and gains visibility in the C-suite. Achieving this goal serves as a reminder of how far the risk management discipline has come and the importance of RIMS tools and services to risk practitioners.

Feedback that RIMS received from many of our 10,000+ members helped pave the way for some exciting new products and services that the Society launched in 2007. The *Enterprise Risk Management for Dummies* guide and *2007 Risk Management Compensation Survey*, along with professional discounts at R-Post and IdentitySweep were new products that the Society offered. The *Enterprise Risk Management for Dummies* guide, authored by members of RIMS ERM Development Committee, received a warm welcome from members. And the 2007 Risk Management Compensation Survey had a 117 percent increase in member participation. The Society also conducted a Volunteer Resources Survey in which 95 percent of RIMS chapters participated. The results: 96 percent of respondents are extremely satisfied or satisfied with the resources that RIMS provides its chapters!

The Society also expanded upon its offerings to chapters with Building a Stronger Chapter (BSC) workshops. This year, some 50 chapter leaders from 28 chapters attended BSC workshops in New York and Montreal. And, RIMS Professional Exchange of Risk Knowledge (PERK) chapter programming series grew to offer 13 sessions from nine partners, with more than 40 percent of RIMS chapters taking advantage of the free program.



New for 2008!

Three Building a Stronger Chapter workshops and an expanded PERK Program.

RIMS plans to publish a report on the state of ERM, based on data submitted to the Risk Maturity Model for ERM.



Recognizing Industry Leadership

Every year, RIMS invites members to submit nominations to recognize risk professionals or RIMS chapters that best exemplify the meaning of “extraordinary”. And during RIMS Annual Conference & Exhibition in New Orleans, the risk management profession’s brightest stars were acknowledged.

Harry and Dorothy Goodell Award

William Kelly, MBA

President, WJK Advisory LLC
RIMS President 1995-1996

RIMS most prestigious honor, the Harry and Dorothy Goodell Award, pays tribute to an individual who has furthered the goals of the Society and the risk management discipline through outstanding service and achievement. The award is named in honor of RIMS first president, Harry Goodell.



Ron Judd “Heart of RIMS” Award*

Mary Lynn “Mel” Bangs, ARM

Director, Risk Management
Omni Hotels Corp.
RIMS Dallas-Fort Worth Chapter

The award recognizes the legacy left by Ron Judd, who served as RIMS Executive Director for 22 years, and is homage to the admiration that a chapter feels for one of its members. Individuals are nominated by chapters for outstanding performance in furthering risk management at the chapter level.



Cristy Award*

Scott M. Lee

Associate Risk Manager
Harrah’s Entertainment, Inc.

The Cristy Award is presented annually to the risk professional that earns the highest cumulative average in the three exams leading to the Associate of Risk Management (ARM) designation.



Arthur Quern Quality Award*

StructuredRisk, Inc.

This honor showcases an initiative within the risk management industry that has contributed to increased quality in products, services and enterprise risk management within an organization.



Donald M. Stuart Award**

Nowell Seaman, CIP, CRM

Manager, Risk Management and Insurance Services
University of Saskatchewan

Created by RIMS Ontario Chapter in 1979, the award is granted annually to a Canadian risk professional to recognize one’s outstanding contributions to the profession. The Donald M. Stuart Award is Canada’s highest honor in risk management.



Chapter Recognition Program Awards*

Overall Chapter Excellence

Orange County
Palm Beach
San Diego

Advancing the Risk Management Profession

Dallas-Fort Worth
Hawaii
Orange County
Palm Beach
San Diego



Outstanding Chapter Programming

Chesapeake
Greater Quad Cities
Houston
Minnesota
Orange County
Palm Beach
San Diego
South Texas



Outstanding Member Services

Chesapeake
Dallas-Fort Worth
Greater Quad Cities
Orange County
Palm Beach
San Diego
South Texas
Rocky Mountain



* The Ron Judd “Heart of RIMS” Award, Cristy Award, Arthur Quern Quality Award and RIMS Chapter Recognition Program Awards were presented for accomplishments made in 2006.

** Presented at 2007 RIMS Canada Conference.

Driving Legislation

RIMS advocates on behalf of thousands of risk managers and member entities. RIMS continues to step up to the plate and play an active role in helping to advance the goals of the Society through organized trips to Capitol Hill, participation in key meetings and grassroots efforts.

Terrorism Risk Insurance Program

With the current program set to expire on December 31, 2007, RIMS worked closely with staff in both the U.S. House Financial Services Committee and U.S. Senate Banking Committee to improve and extend the Terrorism Risk Insurance Program. In March, RIMS submitted a "Statement for the Record" as part of a congressional hearing in New York, along with testimony in a hearing in Washington, D.C. in April. A group of RIMS leaders participated in a lobbying effort in October, visiting with several U.S. Senate offices to convey the Society's position and encourage swift action to extend the program. And finally, on December 26, U.S. President George W. Bush signed H.R. 2761, the Terrorism Risk Insurance Program Reauthorization Act (TRIPRA) of 2007.

Surplus Lines

RIMS worked closely with the House Financial Services Committee and Rep. Dennis Moore, D-Kansas, to make the definition of a "qualified risk manager" more flexible to include RIMS members. The House bill, with RIMS-supported language, passed unanimously. As the next step, RIMS began working with the Senate Banking Committee and chief Senate sponsors to ensure that the approved definition of a "qualified risk manager" passed the Senate.

IRS Captives Proposal

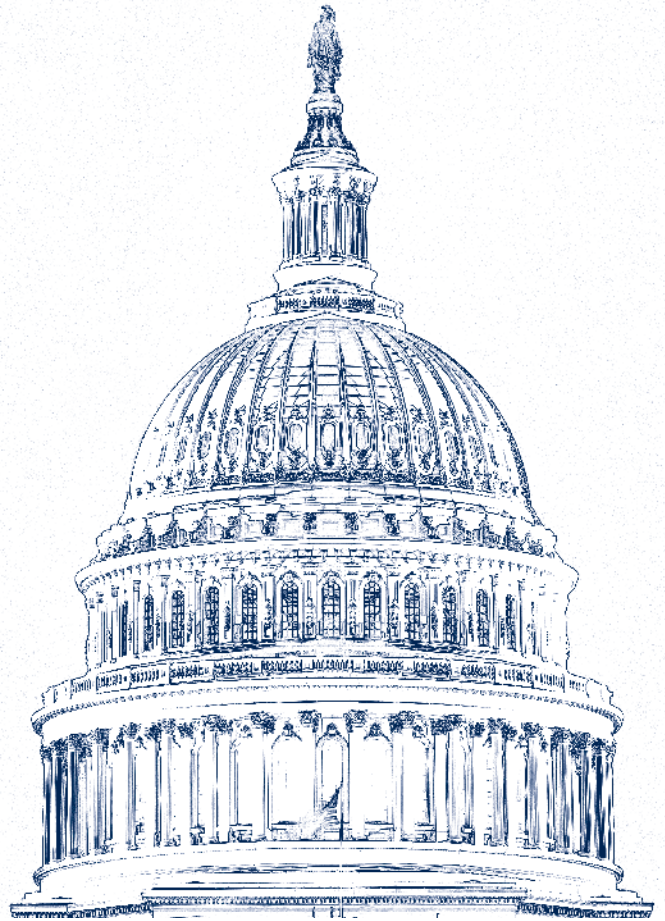
RIMS collected data from members around the country to help formulate an appropriate response in the form of a comment letter to the IRS.

Taking Charge at RIMS on the Hill

In June, more than 50 risk managers came to Washington, D.C. for the ninth annual RIMS on the Hill Legislative Conference. Representing RIMS on Capitol Hill, members set out to speak with the nation's congressional legislators and their staff to ensure that the voice of risk management was heard and incorporated into relevant bills. Groups were assembled by state and regional constituents so that each party could be heard not only as experts in the field of risk management, but as key constituents to senators and representatives. Many groups also met with elected officials themselves, including Sen. Bill Nelson, D-Florida, and Rep. Ed Royce, R-Calif.

Legislative Developments

In an effort to involve members in government affairs and lobbying initiatives, the Society launched RIMS Legislative Action Center online. The Legislative Action Center provides information and updates on key federal legislative initiatives, and an extensive database on members of Congress, including voting scorecards and links to their websites. Additionally, to facilitate grassroots efforts, the website offers risk managers the opportunity to identify their local elected officials and send a personalized message via e-mail and mail—a feature that is particularly valuable during critical voting periods. RIMS also took a step in helping its chapters become active in shaping the future of the risk management industry with the creation of a State and Regulatory Affairs Program. This program will help chapter members impact the business environment in which they operate, and ensure that the voice of risk management is heard and incorporated into state-wide legislation. The program will provide chapters with support to establish a customized RIMS government affairs program. And, chapters may also request one-on-one help from government affairs staff with local visits.



New for 2008

Issue Alerts to be used in communicating timely and important legislative and regulatory developments to RIMS members.

Government Affairs E-newsletter to provide members with regular news and developments that impact the business world in which they operate, information on upcoming events and highlights of notable chapter achievements in external affairs.

The launch of the **How to Build a Successful Government Affairs Program at the Chapter Level Workshop** to assist in efforts to either start—or improve—government affairs programs.

Getting Ahead

Throughout the year, RIMS conducted numerous professional development workshops to educate risk professionals in core areas and the latest tactics, and assist in developing strong risk programs. In 2007, RIMS organized a record-breaking 51 courses and workshops that attracted more than 950 risk professionals—with more than 50 percent of the workshops achieving “sold out” status. The workshops aren’t the only popular educational program—the RIMS Fellow@ grew to 70 designees and 175 candidates!

RIMS has taken one more step to embrace professional development offerings outside of a traditional classroom setting. In 2007, RIMS implemented two new online courses for risk practitioners to access from the comfort of their own desktops—the Professional Development Certificate in Health Care Risk Management and Compliance and Business Ethics Training Library. RIMS also offered four in-company training sessions and nearly 10 webinars on current industry issues that were free to RIMS members. And, for members who were not available for the initial broadcast, webinars are archived online for easy, anytime access.

RIMS Professional Development Advisory Council developed the Risk Manager Core Competency Model to assist in identifying the skills needed to become a risk professional, and guide recruiters and human resource managers in understanding what competencies are necessary when hiring a risk professional.

Last year, 33 students were invited to attend RIMS 2007 Annual Conference & Exhibition due to the support of RIMS Anita Benedetti Student Involvement Program (ABSIP). The selected ABSIP students receive a complimentary conference registration, round-trip transportation, lodging and meals.



New for 2008!

RIMS learning schedule will expand to 58 RIMS Fellow® workshops and professional development courses, offering seven newly developed classes to help risk practitioners hone their skills. Look for: Contractual Risk Transfer, Entrepreneurial Risk Management and Global Risk Management Fundamentals.

Supporting Risk Professionals

As the leading association for risk professionals, RIMS felt obligated to support and educate risk practitioners of today and tomorrow. The Society made this a priority in 2007 by pledging \$300,000 to Spencer Educational Foundation and \$30,000 to Canada-based William H. McGannon Foundation. These funds will be used to expand upon some of Spencer Educational Foundation's most popular programs—including scholarships and internships—as well as developing ERM-related education; and expanding the William H. McGannon Foundation's student enrichment programs and grants in Canada. The Society is proud to offer this tremendous level of support to the risk management industry.



Footprint in Mainstream Media



Risk Management continued its strong performance with further dedication to key risk management issues and an increased footprint in mainstream media. The content in *Risk Management* has never been stronger, with noteworthy features on topics such as global warming, stock options backdating scandals, how the government can better employ ERM, the third annual captive domicile review and second annual "Year in Risk" roundup. The magazine also debuted its Forefront news section, a Facts & Figures end page and a RIMS Society news page. *Risk Management's* editors made appearances in mainstream media such as *BusinessWeek*, the *Wall Street Journal* and *Forbes*. 2007 also marked *Risk Management's* first "13th issue", a special edition launched in October dedicated to ERM, and was so well received that hundreds of extra copies have been ordered by enthusiastic readers.

New for 2008
Risk Management undergoes a full redesign.
 A 13th special issue will be devoted to international risk.



Moving Risk Professionals Forward

RIMS 2007 Annual Conference & Exhibition drew more than 9,000 risk practitioners to New Orleans on April 29-May 3. The premier industry event featured 160 educational sessions and 400 speakers, and hosted keynote events and “Hot Topic” sessions that focused on pandemics, climate change, globalization, business continuity and preparedness, crisis management and enterprise risk management (ERM). The successful event also featured a sold-out Exhibit Hall with 435 exhibitors—122 were new to the conference this year! The event also drew more than 700 first-time attendees!

Keynote speakers included Dr. Michael Osterholm, director of the Center for Infectious Disease Research and Policy, who delivered a sobering message about the potential repercussions of a global flu outbreak. David Maurstad, director of FEMA's Mitigation Division and Federal Insurance Administrator, detailed lessons to be learned from Hurricane Katrina and how to prevent similar disasters in the future. And David Holcombe, CPCU, director of risk management for International Speedway Corporation, spoke to how NASCAR has evolved its safety guidelines and risk management program to minimize both physical and corporate risks.

RIMS 2007 featured a Community Service Day, sponsored by Aon Corporation, that gathered some 400 volunteers to clean debris and weeds, paint fences and lend their hands to cleaning up New Orleans' City Park. The event succeeded in clearing 710 yards of shoreline—the equivalent of seven football fields! The conference also hosted a fundraising event—RIMS 2007 Comedy Benefit—featuring comedian and television/radio personality Dennis Miller. The benefit and fundraising efforts that took place afterwards succeeded in collecting a \$133,000 donation to the City of New Orleans Fire Department to be used towards the purchase of an emergency command vehicle. Donations were received from some RIMS chapters, members, conference exhibitors and the Society itself donated \$100,000.

Top business leaders from ACE Limited, AIG, Aon, Arthur J. Gallagher & Co., FM Global, Marsh, and Zurich gathered once again for RIMS CEO Leadership Panel to discuss the state of the insurance industry. Questions from the audience tested the panel's responses on use of catastrophic models and increased pricing after Hurricane Katrina, diversity in the industry and, of specific note, the issue of supplemental commissions.

At the Opening Session, Janice Ochenkowski, ARM, managing director of Jones Lang LaSalle, Inc., was introduced as the new RIMS president and William Kelly, MBA, president of the WJK Advisory LLC and former RIMS president, was presented with the Society's highest honor—the Harry and Dorothy Goodell Award.



Meetings and Events



New for 2008 RIMS 2008—San Diego!

RIMS goal is to bring a new enthusiasm to the way risk managers talk about risk at RIMS 2008 Annual Conference & Exhibition in San Diego on April 27-May 1. Keynote speakers are Christopher Gardner, the man behind the book and film, "The Pursuit of Happiness"; author Gert Cruywagen; and Lauralee Martin, CFO and COO of Jones Lang LaSalle Incorporated. RIMS Awards Luncheon features the doo wop/vocal group The Coasters and, for the Wednesday Evening Entertainment, RIMS presents "Cirque Dreams"—a musical adventure that highlights mystery and suspense, and combines comedy and dance with acrobatic feats on stage. And, due to the overwhelming success of last year's event, RIMS hosts a Community Service Day with support from Aon Corporation that brings risk professionals to San Diego neighborhoods in need.

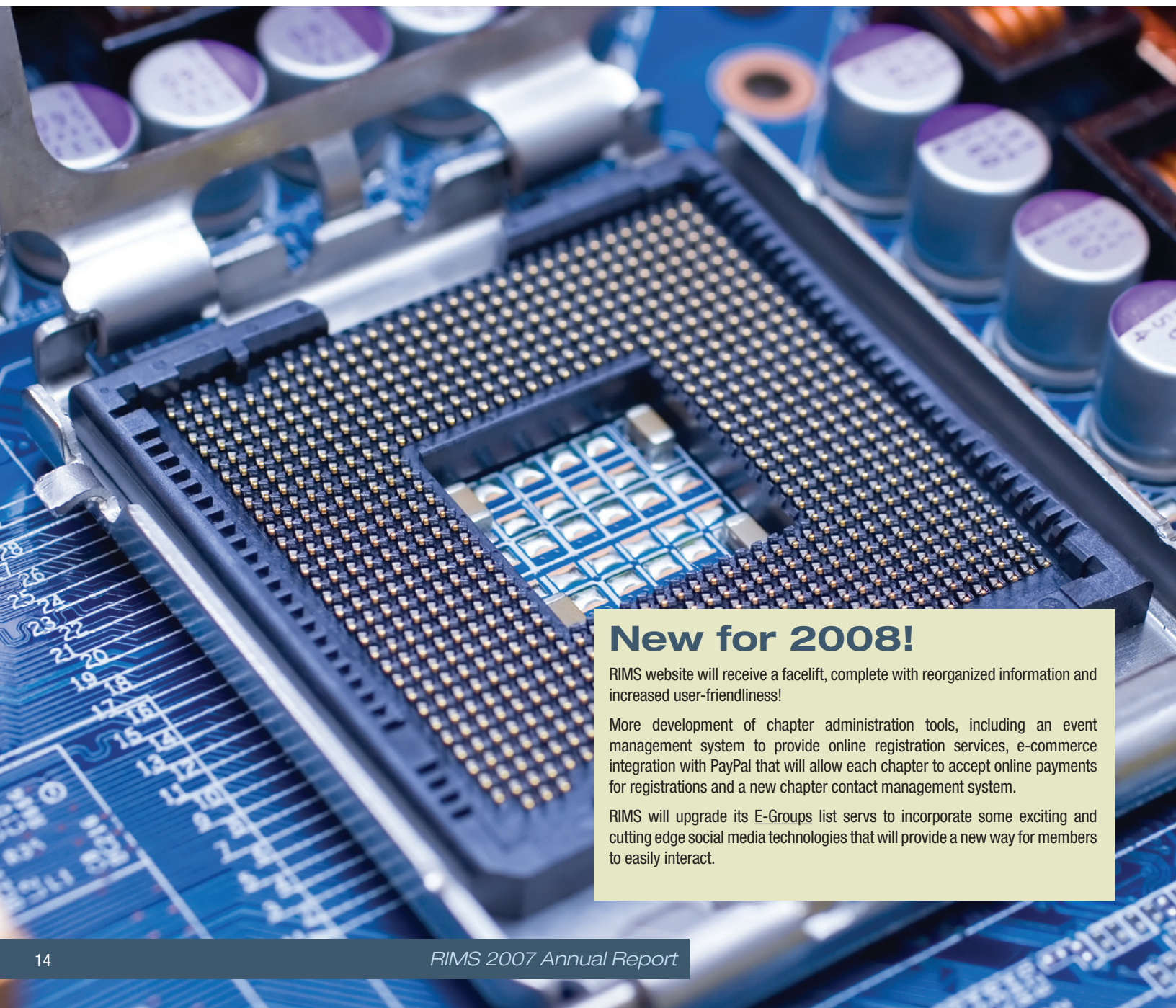
**CHANGE THE WAY
YOU TALK ABOUT RISK**

Connecting Members Using Technology

RIMS spent much of 2007 building its current I.T. infrastructure. RIMS produced half a dozen webinars for chapter officers to teach them how to use the new state-of-the-art chapter management tools created for the website. Six months after the launch, approximately half of the chapters migrated their websites to the new technology. The new technology allows for the chapter websites to be built quickly and incorporate flexible tools to allow easy website edits by the chapter webmaster.

RIMS has successfully moved the [Member Directory](#), [Resource Library](#) and many other pages over to the new technology platform, as well as implemented a single sign-on login system to recognize member logins between chapters and the RIMS website. RIMS has also started to implement Microsoft Office SharePoint Server 2007. The new platform will be fully integrated in the Summer of 2008.

The new Resource Library allows members to share documents, videos, images and more. The [RiskWiki Glossary](#) has also been incorporated into the Resource Library.



New for 2008!

RIMS website will receive a facelift, complete with reorganized information and increased user-friendliness!

More development of chapter administration tools, including an event management system to provide online registration services, e-commerce integration with PayPal that will allow each chapter to accept online payments for registrations and a new chapter contact management system.

RIMS will upgrade its [E-Groups](#) list serves to incorporate some exciting and cutting edge social media technologies that will provide a new way for members to easily interact.



Scott B. Clark, AAI
Treasurer

Operations are self-supporting, our investment portfolio is growing, RIMS is delivering more value to our members and we made sizable donations to two very important organizations, which are furthering the risk management mission.

To highlight some areas of the audited financial statements (all numbers rounded to the nearest thousand):

- **Consolidated Statements of Financial Position** show an increase of \$1.702M in cash and investments. The net assets increased by \$1.805M in 2007, and our net assets (reserves) are now \$10.333M.
- **Consolidated Statements of Activities:**
 - Conference revenue has increased by \$1.840M reflecting an increase in registration income of \$833K, exhibit income of \$722K, and sponsorship revenue of \$127K.
 - Membership dues revenue has increased by \$171K because of an increase in members.
 - Publications revenue is higher by \$245K, reflecting a subscription rate increase and the membership growth that occurred this year.
 - Investment income has gone down by \$331K reflecting an unrealized loss on the value of our investments due to the fourth quarter market downturn.
 - Professional development revenue increased by \$155K, reflecting an increase in the number of courses offered and a higher attendance rate.
 - Conference expense is \$542K higher because both exhibit arrangements and sponsorship costs increased. These expenses were offset by higher revenue in both categories.
 - Professional development expense is up by \$204K which is offset by higher revenue.
 - General and administration expense increased \$646K primarily due to contributions totaling \$430K were made to the New Orleans Fire Department, Spencer Educational Foundation, and the William H. McGannon Foundation.
- **Consolidated Statements of Cash Flows**
The variances from 2006 to 2007 on the schedule have been discussed above. I would like to draw your attention to the middle of the page that shows net cash from operating activities is \$887K higher.

The efforts of all the staff and volunteers who contributed to the financial health of the organization are greatly appreciated.

Respectfully submitted,

Scott B. Clark, AAI
Treasurer
Risk and Insurance Management Society, Inc.

**RISK AND INSURANCE MANAGEMENT
SOCIETY, INC. AND SUBSIDIARY**

**CONSOLIDATED FINANCIAL STATEMENTS
(with supplemental information)**

Years Ended December 31, 2007 and 2006

**RISK AND INSURANCE MANAGEMENT
SOCIETY, INC. AND SUBSIDIARY**

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Accountants and Consultants

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Independent Auditors' Report

Board of Directors

Risk and Insurance Management Society, Inc. and Subsidiary

New York, NY

We have audited the accompanying consolidated statements of financial position of **Risk and Insurance Management Society, Inc. and Subsidiary** (the Organization) as of December 31, 2007 and 2006, and the related consolidated statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of **Risk and Insurance Management Society, Inc. and Subsidiary** at December 31, 2007 and 2006, and the changes in their net assets and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

BDO Seidman, LLP

March 17, 2008

Risk and Insurance Management Society, Inc. and Subsidiary

Consolidated Statements of Financial Position

<i>December 31,</i>	2007	2006
Assets		
Current assets		
Cash and cash equivalents	\$ 288,207	\$ 690,764
Advertising receivables, less allowance for doubtful debts of \$1,712 in 2007 and 2006	94,172	153,289
Other receivables	19,323	6,881
Prepaid conference expenses	356,070	251,527
Other prepaid expenses and deposits	224,184	248,179
Total current assets	981,956	1,350,640
Noncurrent assets		
Property and equipment, net	2,026,030	1,875,334
Investments held for chapters	91,079	-
Investments, at fair value	13,473,364	11,368,901
Total noncurrent assets	15,590,473	13,244,235
Total assets	\$ 16,572,429	\$ 14,594,875
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	\$ 883,734	\$ 597,977
Deferred conference revenue	2,814,720	3,011,370
Deferred dues revenue	982,030	1,123,356
Other deferred revenue	405,675	456,319
Grant payable, current portion	100,000	-
Deferred rent, current portion	15,430	15,430
Total current liabilities	5,201,589	5,204,452
Noncurrent liabilities		
Deferred rent, net of current portion	846,948	862,378
Grant payable, net of current portion	100,000	-
Liability for chapter investments	91,079	-
Total noncurrent liabilities	1,038,027	862,378
Total liabilities	6,239,616	6,066,830
Commitments and contingencies		
Net assets		
Unrestricted	10,322,780	8,518,012
Temporarily restricted	10,033	10,033
Total net assets	10,332,813	8,528,045
Total liabilities and net assets	\$ 16,572,429	\$ 14,594,875

See accompanying summary of accounting policies and notes to consolidated financial statements.

Risk and Insurance Management Society, Inc. and Subsidiary

Consolidated Statements of Activities

	2007		2006	
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted
Revenue, Gains, and Other Support				
Conference	\$ 6,833,970	\$ -	\$ 4,994,002	\$ -
Membership dues	2,207,120	-	2,035,866	-
Publications	978,552	-	733,775	-
Advertising	913,577	-	1,036,198	-
Investment income	839,338	-	1,171,299	-
Professional development	668,658	-	513,857	-
Membership and chapter services	659,756	-	603,602	-
Other revenue	262,719	-	371,173	-
Net assets released from restrictions:				
Satisfaction of program restrictions	-	-	10,750	(10,750)
Total revenue, gains, and other support	13,363,690	-	11,470,522	(10,750)
Expenses				
Program services				
Conference	3,058,249	-	2,516,228	-
Publications	1,414,333	-	1,508,250	-
Communications	904,171	-	782,623	-
Professional development	869,083	-	665,157	-
Membership and chapter services	632,140	-	604,401	-
Government affairs	268,637	-	186,863	-
Total program services	7,146,613	-	6,263,522	-
Supporting services				
General and administration	3,803,107	-	3,157,470	-
Member services	609,202	-	536,150	-
Total supporting services	4,412,309	-	3,693,620	-
Total expenses	11,558,922	-	9,957,142	-
Change in net assets	1,804,768	-	1,513,380	(10,750)
Net assets at beginning of year	8,518,012	10,033	7,004,632	20,783
Net assets at end of year	\$ 10,322,780	\$ 10,033	\$ 8,518,012	\$ 10,033

See accompanying summary of accounting policies and notes to consolidated financial statements.

Risk and Insurance Management Society, Inc. and Subsidiary

Consolidated Statements of Cash Flows

<i>Years ended December 31,</i>	2007	2006
Cash flows from operating activities		
Change in net assets	\$ 1,804,768	\$ 1,502,630
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	421,163	398,692
Loss on sale of property and equipment	775	-
Net realized and unrealized gains on investments	(12,862)	(673,027)
(Increase) decrease in assets		
Advertising receivables	59,117	(77,247)
Other receivables	(12,442)	77,295
Prepaid conference expenses	(104,543)	128,350
Other prepaid expenses and deposits	23,995	(147,500)
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	285,757	(102,305)
Deferred conference revenue	(196,650)	329,905
Deferred dues revenue	(141,326)	(33,316)
Other deferred revenue	(50,644)	(7,819)
Grant payable	200,000	-
Deferred rent	(15,430)	(20,571)
Net cash provided by operating activities	2,261,678	1,375,087
Cash flows from investing activities		
Purchases of property and equipment	(572,634)	(298,716)
Purchases of investments	(5,107,403)	(12,558,643)
Proceeds from sales of investments	3,015,802	10,798,806
Net cash used in investing activities	(2,664,235)	(2,058,553)
Decrease in cash and cash equivalents	(402,557)	(683,466)
Cash and cash equivalents, beginning of year	690,764	1,374,230
Cash and cash equivalents, end of year	\$ 288,207	\$ 690,764

See accompanying summary of accounting policies and notes to consolidated financial statements.

RISK AND INSURANCE MANAGEMENT SOCIETY, INC. AND SUBSIDIARY

Summary of Accounting Policies

Organization Purpose	<p>The Risk and Insurance Management Society, Inc. (RIMS) is a non-profit organization dedicated to advancing professional standards of risk management. RIMS is the world's largest association for risk management, representing over 3,900 industrial, service, not-for-profit, charitable and governmental entities. RIMS serves more than 10,500 individuals responsible for the risk management function in 80 chapters across the United States, Canada and Japan.</p> <p>Global Risk Management Institute, Inc. (GRMI), a related organization, was incorporated in 1999 to engage in activities that support and encourage the advancement of the study of subjects related to risk management and increase the qualifications of risk management professionals across businesses and industries. GRMI administers the RIMS Fellow (RF) and the Canadian Risk Management (CRM) designations.</p>
Basis of Accounting	<p>The consolidated financial statements have been prepared using the accrual basis of accounting. As such, revenue is recognized when earned and expenses when incurred.</p>
Consolidation Policy	<p>The consolidated financial statements include the accounts of RIMS and GRMI (hereafter referred to as "the Organization"). All significant interorganization transactions and balances have been eliminated in consolidation.</p>
Cash and Cash Equivalents	<p>For purposes of the consolidated statements of cash flows, cash and cash equivalents include operating cash accounts, petty cash and highly liquid, short-term instruments with original maturities of three months or less, except money market funds held for long-term investment purposes.</p>
Advertising Receivables	<p>Advertising receivables represents amounts due from clients for advertisements placed in various magazines and are due under normal trade terms from these clients. Senior management reviews accounts receivable on a regular basis to determine if any receivables will potentially be uncollectible. Any balances that are determined to be uncollectible are included, together with a general reserve, in the allowance for doubtful debts account. Any subsequent write-offs are written off against the allowance. Management believes that the allowance for doubtful accounts as of December 31, 2007 and 2006 is adequate. However, actual write-offs might exceed the recorded allowance.</p>

RISK AND INSURANCE MANAGEMENT SOCIETY, INC. AND SUBSIDIARY

Summary of Accounting Policies

Property and Equipment

Property and equipment are recorded at cost. The Organization capitalizes all expenditures for property and equipment over \$1,000. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets, ranging from three to seven years, or the lesser of the minimum lease period or the asset's useful life for leasehold improvements. When assets are sold or otherwise disposed of, the asset and related accumulated depreciation and amortization are removed from the accounts, and any remaining gain or loss is included in operations. Repairs and maintenance are charged to expense when incurred.

Certain costs of internally developed software and website development are capitalized in accordance with Statement of Position 98-1 "*Accounting for the Cost of Computer Software Developed or Obtained for Internal Use*" and Emerging Issues Task Force 00-2 "*Accounting for Website Development Costs*". These costs are being amortized over the estimated useful lives of the software and website which is estimated to be four years.

Investments

Investments consist of equity and debt mutual funds, fixed income securities, and money market funds held for long-term investment. Investments are presented in the consolidated financial statements, in the aggregate, at their readily determinable fair value. Interest and dividend income are recorded as revenue when earned. Realized and unrealized gains and losses on investments are included in the accompanying consolidated statements of activities.

Deferred Revenue

Deferred revenue consists of member dues, magazine subscriptions, conference attendance and exhibit fees received in advance. Revenue related to member dues is recognized over the membership period. Revenue related to magazine subscriptions is recognized over the related subscription period. Revenue and related expenses applicable to the conference and exhibits are recognized in the financial period when the conference is held.

Deferred Rent

A deferred rent liability has been recorded to reflect the benefit of lease incentives included in the office space lease. The benefits of these incentives, including free rent and a tenant improvement allowance, will be recognized equally over the term of the lease.

RISK AND INSURANCE MANAGEMENT SOCIETY, INC. AND SUBSIDIARY

Summary of Accounting Policies

Unrestricted Net Assets	Unrestricted net assets are funds that are currently available to support the Organization's daily operations.
Temporarily Restricted Net Assets	The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of activities as net assets released from restrictions.
Functional Allocation of Expenses	The costs of providing various program and supporting services have been summarized on a functional basis in the consolidated statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.
Use of Estimates	The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.
Financial Instruments and Credit Risk	Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents and investments held at creditworthy financial institutions. At times the Organization's operating cash accounts exceeded the federally insured limit. The Organization has not experienced losses in such accounts. The Organization believes it is not exposed to any significant credit risk on its cash and cash equivalents.

RISK AND INSURANCE MANAGEMENT SOCIETY, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements

1. Tax Status

RIMS is exempt from income taxes under Section 501(c)(6) of the Internal Revenue Code. RIMS is subject to tax on its net revenue from unrelated business income from mailing list rentals and advertising. RIMS had a net operating loss carryforward of approximately \$36,000 at December 31, 2006 from its Risk Management magazine, books and monographs operation. The loss was fully utilized in 2007, and as a result there is no net operating loss carryforward at December 31, 2007. Additionally, RIMS has charitable contributions deduction carryforwards of approximately \$8,000 and \$21,000 at December 31, 2007 and 2006, respectively. These contributions carryforwards expire in 2010 if not utilized by then. RIMS Canada Council, formerly the Canadian Risk Management Council, a program of RIMS, is exempt from tax under Canadian tax laws.

GRMI is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has also determined that GRMI is not a private foundation. GRMI is required to report unrelated business income to the Internal Revenue Service and the state of New York. GRMI earned no unrelated business income during the years ended December 31, 2007 and 2006.

2. Property and Equipment

Property and equipment consists of the following at:

<i>December 31,</i>	2007	2006
Leasehold improvements	\$ 1,343,280	\$ 1,343,280
Computer software	673,095	476,408
Furniture and office equipment	505,786	412,238
Computer hardware	389,195	326,961
	2,911,356	2,558,887
Less accumulated depreciation and Amortization	(885,326)	(683,553)
Net	\$ 2,026,030	\$ 1,875,334

Depreciation and amortization expense was \$421,163 and \$398,692 in 2007 and 2006, respectively.

RISK AND INSURANCE MANAGEMENT SOCIETY, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements

- 3. Investments** The fair value of investments held is as follows at:

<i>December 31,</i>	2007	2006
Mutual funds - equity	\$ 9,520,342	\$ 8,531,807
Mutual funds - debt	3,649,109	2,609,071
Certificates of deposit	303,700	227,961
Money market funds	213	62
	\$ 13,473,364	\$ 11,368,901

Included in the certificates of deposit for both 2007 and 2006 is collateral of \$227,961 given against a letter of credit. The letter of credit was obtained to serve as a deposit for the Organization's office lease (see Note 6).

Investment income consisted of the following:

<i>Years ended December 31,</i>	2007	2006
Interest and dividends	\$ 856,063	\$ 520,033
Net realized and unrealized gains on investments	12,862	673,027
Less: Investment management fees	(29,587)	(21,761)
	\$ 839,338	\$ 1,171,299

- 4. Related Party Transactions** RIMS provides office space and administrative services to its New York Chapter, and Spencer Educational Foundation, Inc. (the Foundation), an affiliated organization, for which it receives administrative fees. The fees from its New York Chapter amounted to \$33,000 and \$30,500 in 2007 and 2006, respectively. The fees from the Foundation amounted to \$120,752 and \$115,000 in 2007 and 2006, respectively. The fees are included in other revenue on the consolidated statements of activities.

During 2007, RIMS pledged \$300,000 to the Foundation to support its operations. As of December 31, 2007, the total grant payable to the Foundation was \$200,000.

RISK AND INSURANCE MANAGEMENT SOCIETY, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements

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- 5. Pension and Deferred Compensation Plans** *Defined Contribution Plan*
- RIMS has a noncontributory defined contribution pension plan covering all employees with at least three full calendar years of service. Under the terms of the plan, contributions are defined as 6% of the gross salaries of eligible employees. Costs related to the plan are funded on a current basis through the purchase of Simplified Employee Pension Individual Retirement Accounts. Contributions to the plan vest with the individual employees immediately.
- The plan was discontinued on January 1, 2007. Expenses for the above plan totaled \$149,667 in 2006.
- 401(k) Plan*
- RIMS also has a defined contribution 401(k) profit sharing plan (the Plan) that covers all employees who have attained the age of 21 and have completed at least three months of service. RIMS matches half of the participant's contributions to the Plan, up to 2% of the individual participant's compensation. In addition, RIMS may make a bonus contribution at its discretion, and/or a profit sharing contribution to the Plan at the end of each plan year. Expenses for this plan amounted to \$276,918 and \$60,050 for the years ended December 31, 2007 and 2006, respectively.
- 6. Commitments and Contingencies** *Operating Leases*
- RIMS has entered into several leases for office space and office equipment under noncancellable operating lease agreements expiring in various years through 2019.
- In September 2004, RIMS entered into an operating lease for office space commencing March 1, 2005 and expiring thirteen years and ten months later. The lease contains a four month rent abatement period and escalation clauses whereby the base rent increases at the beginning of year six and at the beginning of year eleven. In addition, the landlord made concessions to reimburse RIMS for leasehold improvements.

RISK AND INSURANCE MANAGEMENT SOCIETY, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements

Future minimum rental payments on all operating leases, by year through expiration, are as follows:

Years ending December 31,

2008	\$ 581,607
2009	552,857
2010	576,120
2011	605,133
2012	605,133
Thereafter	3,608,697
	\$ 6,529,547

Rent expense for office space, including escalation and maintenance charges, was \$538,810 and \$532,150 for the years ended December 31, 2007 and 2006, respectively. Equipment lease expense was \$93,752 and \$90,170 for the years ended December 31, 2007 and 2006, respectively.

Commitments for Conference Facilities

RIMS has entered into various contracts for future conferences and events. Due to the nature of these contracts it is impractical to estimate the total commitment.

7. Temporarily Restricted Net Assets

Temporarily restricted net assets at December 31, 2007 and 2006, in the amount of \$10,033, are restricted for GRMI activities towards the promotion of risk management education and the exchange of ideas among risk management professionals.

RISK AND INSURANCE MANAGEMENT SOCIETY, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements

8. Description of Program and Supporting Services

Conference

This department is responsible for the planning and production of RIMS meetings, events and the Annual Conference and Exhibition, which is the definitive event for risk professionals, attracting approximately 10,000 risk professionals (member, non-member and exhibitors) worldwide. This prestigious event offers its attendees the widest range of educational programs, networking opportunities, and communication of significant happenings that impact risk management.

Publications

RIMS flagship publication is produced monthly with in depth coverage of articles of interest to the risk management professionals responsible for risk and insurance management in business and industrial firms, public administration/government, insurance companies, agents and brokers, business services and others allied to the field. With its strong editorial content and ability to dissect the world of risk, Risk Management Magazine is a source of pertinent information for business.

Communications

RIMS uses a centralized approach to its marketing and communications and has unified this service for all its products and events under one umbrella division. This methodology enables RIMS to maximize its impact and budgets by cross marketing its strategic objectives in all its communications efforts. Communications vehicles include web based and print as well as media relations. RIMS media relations section acts as a resource to major dailies, trade publications and general media. Through press releases and interviews RIMS media relations supports RIMS positions on key issues to risk managers and the public. Using this approach, the department fulfills its mandate to expand awareness of risk management to a broad audience.

Professional Development

This department implements educational programs through courses, workshops, and in-company training. On-line courses are also offered through partnerships with vendors. It also administers the programs for the RIMS Fellow (RF) designation, the Anita Benedetti Student Involvement Program, and the Canadian Risk Management (CRM) designation.

RISK AND INSURANCE MANAGEMENT SOCIETY, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements

Membership and Chapter Services

This department is responsible for promoting the value of RIMS membership and supporting the development of a network of healthy chapters. It ensures that products and services provided meet the needs of members and chapters while supporting RIMS mission and strategic plan. The department reviews existing products and services provided by RIMS to its members and chapters and makes recommendations to RIMS Executive Council to add, modify or discontinue these programs. It identifies member and chapter needs and submits recommendations for new products and services to RIMS Executive Council for approval, supports the growth and stability of existing chapters, and administers the Building a Successful Chapter program.

Government Affairs

Government Affairs focuses on U.S. federal, state and Canadian federal and provincial legislative and regulatory issues that impact the risk management community. In addition, the department prepares witnesses and drafts testimony for members appearing before all governmental and non-governmental bodies. It maintains a standing External Affairs Committee that is responsible for crafting RIMS position statements, composing letters to members of Congress, and establishing RIMS legislative priorities each year. Furthermore, it conducts lobbying at all levels of government through an assortment of strategies including the annual lobbying event, RIMS on the Hill, which brings approximately 50 risk managers to Washington, DC to further the agenda of the risk management community. The Government Affairs department maintains constant contact with its members throughout North America regarding all legislative developments via the RIMS website, newsletters, and e-mail alerts.

General and Administration

This includes the office of the Executive Director, Finance and Administration, Governance, Board of Directors and other support functions. The majority of expenses relate to salaries, rent, computer systems, records management and other support functions.

RISK AND INSURANCE MANAGEMENT SOCIETY, INC. AND SUBSIDIARY

Notes to Consolidated Financial Statements

Member Services

This includes all member marketing, recruiting, and retention expenses including membership packets, benefits brochures, and the RIMS booth used during the Annual Conference and Exhibition.

The department also reviews and monitors program goals for member recruitment and retention and administers RIMS volunteer leadership program.

- 9. RIMS Canada Council** RIMS Canada Council is a program of RIMS established under Canadian law. RIMS Canada Council supports, promotes and coordinates risk management in Canada by means of standing committees. RIMS Canada Council also coordinates the annual RIMS Canada Conference, hosted by one of the ten local Canadian chapters.

Assets and liabilities of RIMS Canada Council are as follows at:

<i>December 31,</i>	2007		2006	
	US\$	CAN\$	US\$	CAN\$
Cash and cash equivalents	\$ 34,166	\$ 34,166	\$ 107,289	\$ 125,045
Prepaid conference expenses	-	-	12,803	14,922
Investments	537,232	528,449	388,862	453,219
Net assets	\$ 571,398	\$ 562,615	\$ 508,954	\$ 593,186

Revenue and expenses of RIMS Canada Council are as follows:

<i>December 31,</i>	2007		2006	
	US\$	CAN\$	US\$	CAN\$
Other revenue	\$ 189,258	\$ 185,656	\$ 172,408	\$ 200,941
Interest and investment income	8,790	8,623	13,203	15,388
Foreign exchange translation gain	87,518	-	1,740	-
Expenses	(223,122)	(224,850)	(169,604)	(195,422)
Change in net assets	\$ 62,444	(\$ 30,571)	\$ 17,747	\$ 20,907

Supplemental Information

Independent Auditors' Report on Supplemental Information

Board of Directors
Risk and Insurance Management Society, Inc. and Subsidiary
New York, NY

Our report on our audits of the consolidated financial statements of **Risk and Insurance Management Society, Inc. and Subsidiary** for 2007 and 2006 appears on page 3. Those audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The consolidating schedules on pages 18-19 are presented for the purpose of additional analysis of the consolidated financial statements rather than to represent the financial position and results of operations of the individual entities. Such information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

BDO Seidman, LLP

March 17, 2008

Risk and Insurance Management Society, Inc. and Subsidiary

Consolidating Statements of Financial Position

	2007		2006			
	Risk and Insurance Management Society, Inc.	Global Risk Management Institute	Consolidated	Risk and Insurance Management Society, Inc.	Global Risk Management Institute	Consolidated
Assets						
Current assets						
Cash and cash equivalents	\$ 263,793	\$ 24,414	\$ 288,207	\$ 665,649	\$ 25,115	\$ 690,764
Advertising receivables, less allowance for doubtful debts of \$1,712 in 2007 and 2006	94,172	-	94,172	153,289	-	153,289
Other receivables	19,323	-	19,323	6,881	-	6,881
Prepaid conference expenses	356,070	-	356,070	251,527	-	251,527
Other prepaid expenses and deposits	224,184	-	224,184	248,179	-	248,179
Total current assets	957,542	24,414	981,956	1,325,525	25,115	1,350,640
Noncurrent assets						
Property and equipment, net	2,026,030	-	2,026,030	1,875,334	-	1,875,334
Investments held for chapters	91,079	-	91,079	-	-	-
Investments, at fair value	13,139,227	334,137	13,473,364	11,094,709	274,192	11,368,901
Total noncurrent assets	15,256,336	334,137	15,590,473	12,970,043	274,192	13,244,235
Total assets	\$ 16,213,878	\$ 358,551	\$ 16,572,429	\$ 14,295,568	\$ 299,307	\$ 14,594,875
Liabilities and Net Assets						
Current liabilities						
Accounts payable and accrued expenses	\$ 883,582	\$ 152	\$ 883,734	\$ 597,322	\$ 655	\$ 597,977
Deferred conference revenue	2,814,720	-	2,814,720	3,011,370	-	3,011,370
Deferred dues revenue	982,030	-	982,030	1,123,356	-	1,123,356
Other deferred revenue	405,675	-	405,675	456,319	-	456,319
Grant payable, current portion	100,000	-	100,000	-	-	-
Deferred rent, current portion	15,430	-	15,430	15,430	-	15,430
Total current liabilities	5,201,437	152	5,201,589	5,203,797	655	5,204,452
Noncurrent liability						
Deferred rent, net of current portion	846,948	-	846,948	862,378	-	862,378
Grant payable, net of current portion	100,000	-	100,000	-	-	-
Liability for chapter investments	91,079	-	91,079	-	-	-
Total noncurrent liabilities	1,038,027	-	1,038,027	862,378	-	862,378
Total liabilities	6,239,464	152	6,239,616	6,066,175	655	6,066,830
Commitments and contingencies						
Net assets						
Unrestricted	9,974,414	348,366	10,322,780	8,229,393	288,619	8,518,012
Temporarily restricted	-	10,033	10,033	-	10,033	10,033
Total net assets	9,974,414	358,399	10,332,813	8,229,393	298,652	8,528,045
Total liabilities and net assets	\$ 16,213,878	\$ 358,551	\$ 16,572,429	\$ 14,295,568	\$ 299,307	\$ 14,594,875

Risk and Insurance Management Society, Inc. and Subsidiary

Consolidating Statements of Activities and Changes in Net Assets

December 31,	2007		2006	
	Risk and Insurance Management Society, Inc.	Global Risk Management Institute	Risk and Insurance Management Society, Inc.	Global Risk Management Institute
Changes in Unrestricted Net Assets				
Revenue, Gains, and Other Support				
Conference	\$ 6,833,970	\$ -	\$ 4,994,002	\$ -
Membership dues	2,207,120	-	2,035,866	-
Publications	978,552	-	733,775	-
Advertising	913,577	-	1,036,198	-
Investment income	823,925	15,413	1,143,784	27,515
Professional development	668,658	-	513,857	-
Membership and chapter services	659,756	-	603,602	-
Other revenue	194,170	68,549	303,041	68,132
Net assets released from restrictions:				
Satisfaction of program restrictions	-	-	-	10,750
Total revenue, gains, and other support	13,279,728	83,962	11,364,125	106,397
Expenses				
Program services				
Conference	3,058,249	-	2,516,228	-
Publications	1,414,333	-	1,508,250	-
Communications	904,171	-	782,623	-
Professional development	848,394	20,689	641,842	23,315
Membership and chapter services	632,140	-	604,401	-
Government affairs	268,637	-	186,863	-
Total program services	7,125,924	20,689	6,240,207	23,315
Supporting services				
General and administration	3,799,581	3,526	3,150,664	6,806
Member services	609,202	-	536,150	-
Total supporting services	4,408,783	3,526	3,686,814	6,806
Total expenses	11,534,707	24,215	9,927,021	30,121
Changes in unrestricted net assets	1,745,021	59,747	1,437,104	76,276
Changes in Temporarily Restricted Net Assets				
Net assets released from restrictions:				
Satisfaction of program restrictions	-	-	-	(10,750)
Change in temporarily restricted net assets	-	-	-	(10,750)
Change in net assets	1,745,021	59,747	1,437,104	65,526
Net assets at beginning of year	8,229,393	298,652	6,792,289	233,126
Net assets at end of year	\$ 9,974,414	\$ 358,399	\$ 8,229,393	\$ 298,652
				\$ 8,528,045



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