

Changing the way you

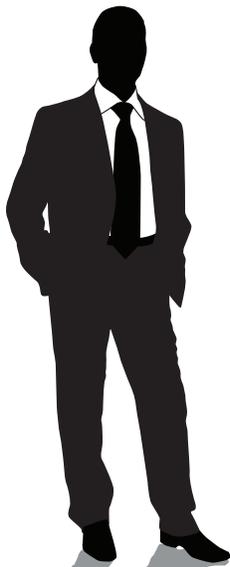
THINK about RISK

Gung-ho

Dynamize

Razzle-Dazzle

Inspiration



Changing the way you

THINK about RISK

Table of Contents

Letter from Leadership	3
RIMS Board of Directors	4
About the Risk and Insurance Management Society, Inc.	5
Membership: Members Stay On Target	6
Awards: Honoring Excellence	7
Professional Development: Challenging Traditional Thinking	8
Government Affairs: Effecting Change on Capitol Hill	9
Conference: Change the Way You Talk About Risk	10-11
RiskLive! RIMS Virtual Conference & Expo	12
Technology: Enhancing the Member Connection	13
Publications: <i>Risk Management</i> Goes Mainstream	14
Treasurer's Report	15
Financials	16-35

Letter from RIMS Leadership

2008 was a year of challenge and vast changes to the global business environment. The financial industry fallout put risk management in the spotlight and propelled many organizations to re-examine their risk management practices. Now more than ever it is critical that risk practitioners stay connected and informed—and RIMS members are doing just that.

The Society held RIMS 2008 Annual Conference & Exhibition in San Diego and challenged more than 10,000 industry professionals to talk and think about risk in new and different ways. At the conference, RIMS debuted the Risk Management Professional Growth Model, a unique tool to help practitioners and their organizations set a path for continuous advancement and development. Several other notable publications were released including “*Selecting and Working with a Broker*,” *RIMS State of ERM Report 2008*, the “*2008 RIMS Benchmark Survey™*,” *2008 Risk Management Compensation Survey* and *Risk Insights* white paper series.

2008 was a significant year for RIMS legislative program. Now in its 10th year, RIMS on the Hill legislative conference brought more than 40 RIMS members to Washington, D.C. for a learning experience that culminated in an opportunity to lobby legislators and incorporate the voice of risk management in key legislation. RIMS also testified at the New York Insurance Department and Attorney General’s public hearings on broker compensation and called upon the insurance industry to eliminate certain broker compensation arrangements. Under the Society’s State and Regulatory Affairs Program, “how to” training was offered on establishing or expanding a chapter government affairs program and hosting local legislative conferences. As you will see, several chapters are poised to host legislative visits to their state capitols in 2009.

RIMS.org, the Society’s premier website, was redesigned to give members faster and easier access to an electronic world of customized products, services and networking opportunities. RIMS use of technology paved the way for the first ever RiskLive! RIMS Virtual Conference & Expo—an interactive event where attendees participated in a learning experience right from their desktops. Participants attended live sessions, visited exhibitors in a virtual Exhibit Hall and networked with others in real-time.

These conferences weren’t the only learning opportunities that members embraced in 2008—a record-breaking 1,000 risk practitioners took advantage of RIMS professional development courses and RIMS Fellow® designation workshops. And, when the financial crisis hit, RIMS conducted a series of webinars featuring industry leaders who provided insight to insurance and financial market changes.

2009 poses many challenges for risk practitioners and their businesses. As the leading association for risk professionals, RIMS will continue to offer members the learning opportunities, tools and resources to succeed in an ever-changing environment.

Very truly yours,



Joseph Restoule, CIP, CRM
President



Mary Roth, ARM
Executive Director



Joseph Restoule
President



Mary Roth
Executive Director

RIMS Board of Directors



Treasurer and Director

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*Director, Business Risk Solutions
 Blue Cross and Blue Shield of Florida, Inc.*



Secretary and Director

Scott B. Clark, AAI
*Risk and Benefits Officer
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Vice President and Director

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

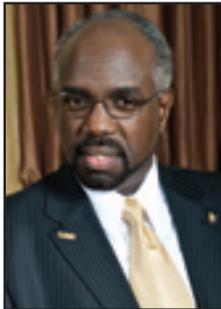
President and Director

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

Directors



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*Risk Manager
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 of Snohomish County*



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*Director, Enterprise Risk
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*Vice President, Risk Management
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 ALCM, ARM, CPCU, RF**
*Corporate Risk Manager
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*Director, Risk Management
 Labor Finders International, Inc.*



Frederick J. Savage, FCII, ARM
*Director, Risk Management
 (San Ramon)
 Chevron Corporation*



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



Committees, Councils and Governing Bodies

Audit Committee
 Conference Programming Committee
 ERM Development Committee
 Exhibits Advisory Council
 External Affairs Committee
 Finance Committee
 House of Delegates
 Member and Chapter Services Committee
 Nominating Committee
 Professional Development Advisory Council
 Quality Advisory Council
 RIMS Canada Council
 Student Involvement Committee
 Technology Advisory Council

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 commercial insurance and corporate risk management. Founded in 1950, RIMS represents more than 4,000 industrial, service, nonprofit, charitable and governmental entities—of which 87 percent are Fortune 500 companies. At the end of 2008, the Society served more than 10,600 risk management professionals around the world.

RIMS STAFF

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

EXECUTIVE OFFICE

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

Finance and Administration

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

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

Marketing and Communications

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

Meetings and Events

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

Membership and Chapter Services

Director of Membership and Chapter Services: *Jill Levy*
 Member Services Associate: *Shavonne Howlett*
 Member and Chapter Services Assistant: *Meggie Duke*
 Chapter Services Manager: *Cindy Tirtilli*
 Chapter Services Training Coordinator: *Darlene Lebron*
 New York Chapter Administrator: *Mimi Eckert*

Professional Development

Director of Professional Development: *Vincent Seglor*
 Program Manager: *Kate Powers*
 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*: *Emily Holbrook*
 Senior Advertising Manager: *Ted Donovan*
 Account Manager: *Lynne Lancaster*
 Circulation Manager: *Callie Nelson*
 Senior Designer: *Karen Arbasetti*



**Risk and
 Insurance
 Management
 Society, Inc.®**

Member Satisfaction

2008

97%

Satisfied or Very Satisfied

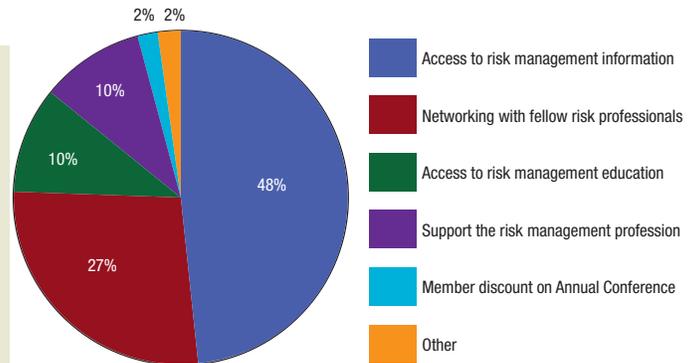
This year, more than 10,600 professionals accessed RIMS global community of peers, educational opportunities and a vast portfolio of risk management resources. And, members report a tremendous value in membership—97 percent of members are satisfied or very satisfied with RIMS membership offerings, according to a 2008 member satisfaction survey.

Risk professionals are choosing RIMS for top-notch industry education, cutting-edge information and an abundance of networking opportunities. This year, the Society expanded its products and services by offering:

- *RIMS Risk Management Professional Growth Model* was developed to help practitioners improve upon performance and move to the next level within their organizations. The groundbreaking career tool was distributed to thousands of risk professionals and students.
- *2008 RIMS Benchmark Survey™* provided risk managers, insurance brokers and underwriters with a real-time window into the commercial insurance market.
- *RIMS State of ERM Report 2008* found a direct correlation between ERM and higher credit ratings, and demonstrated that ERM enhances business performance.
- For the first time, the *Risk Management Compensation Survey* analyzed salary information for Chief Risk Officers.
- *Risk Insights* first issue focused on the complexities of proving a company's claim from catastrophic loss in "Proving Your Insurance Claim".
- *Selecting and Working with a Broker* provided risk practitioners with an updated broker scorecard, request for proposal sample and an insurance glossary.
- The quarterly *RIMS New Member Newsletter* oriented hundreds to RIMS vast products, services and resources.

RIMS Professional Exchange of Risk Knowledge (PERK) program doubled to 26 session offerings from 11 industry partners—garnering more than 60 request from chapters for programs, including some that focus on how to monitor market changes using benchmarking tools, how captives can help manage retained risk and how to implement a seamless ERM program. And, more than 50 leaders from 28 chapters attended RIMS Building a Stronger Chapter (BSC) workshops in San Diego, Dallas and Philadelphia.

Reason for Joining RIMS



New for 2009

RIMS Chapter Recognition Program Awards will be re-vamped to acknowledge more chapters for innovative programs, membership growth, activities and initiatives.

RIMS Career Center will be redesigned to include a user-friendly job bank and enhanced resources on resumé writing, interviewing and career tools.

RIMS Member Directory will be enhanced with new features, such as the ability to publish a blog and start a member community.

RIMS Products and Services Catalogue will be distributed to all members and *Risk Management* magazine subscribers.

RIMS honors the commitment of its chapters and the risk profession's brightest stars at its Annual Conference & Exhibition. Below are the professionals and RIMS chapters that were acknowledged for extraordinary contributions to the Society and the industry.



Harry and Dorothy Goodell Award

Diane Wolfson, CIP, CRM
*Director, Risk Management
 CAE, Incorporated*

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

Peggy S. Accordino, ARM
*Vice President and Director,
 Risk Management
 National Financial Partners Corporation
 RIMS New York Chapter*

Presented to a RIMS member for outstanding performance in furthering risk management at the chapter level. The award recognizes the legacy of Ron Judd, who served as RIMS Executive Director for 22 years.



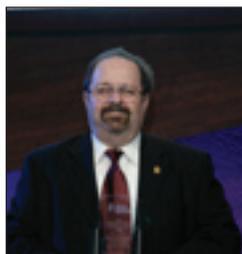
Cristy Award

Debra E. Hinton, ARM
*Assistant Director, Risk Management
 University of Virginia
 RIMS Virginia Chapter*

Presented to the risk professional who earns the highest cumulative average on the three exams leading to the Associate of Risk Management (ARM) designation.

Richard W. Bland Memorial Award

Charles J. Magazine
*Risk Manager
 City of Boynton Beach, Florida
 RIMS Palm Beach Chapter*



Created by RIMS Kansas City Chapter in 1974 and recognizes outstanding performance by a deputy member who has impacted the risk management industry in the area of legislation or regulation.

Donald M. Stuart Award*

George E. Simpson, CRM, FCIP
*Senior Manager, Risk Management and
 Insurance, Treasury Division
 EPCOR Utilities Inc.
 RIMS Northern Alberta Chapter*



i.e. Canadian Underwriter

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 RIMS highest honor for risk management in Canada.

Chapter Recognition Program Awards



Overall Chapter Excellence

- RIMS Greater Quad Cities Chapter
- RIMS Orange County Chapter
- RIMS San Diego Chapter

Outstanding Chapter Programming

- RIMS Chicago Chapter
- RIMS Dallas-Fort Worth Chapter
- RIMS Golden Gate Chapter
- RIMS Greater Quad Cities Chapter
- RIMS Orange County Chapter
- RIMS San Diego Chapter



Advancing the Risk Management Profession

- RIMS Chicago Chapter
- RIMS Dallas-Fort Worth Chapter
- RIMS Greater Quad Cities Chapter
- RIMS Orange County Chapter
- RIMS San Diego Chapter

Outstanding Member Services

- RIMS Greater Quad Cities Chapter
- RIMS Orange County Chapter
- RIMS San Diego Chapter
- RIMS South Texas Chapter



The Ron Judd "Heart of RIMS" Award, Cristy Award and Arthur Quern Quality Award are given for lifetime achievement. RIMS Chapter Recognition Program Awards were presented for accomplishments made in 2007.

*The Donald M. Stuart Award was presented at the 2007 RIMS Canada Conference.

Professional Development

Challenging Traditional Thinking

In 2008, RIMS professional development workshops provided members with opportunities to learn effective risk management strategies and connect with industry experts. The Society offered 56 workshops—with a record-breaking 1,017 practitioners attending! The RIMS Fellow® designation grew to 95 designees and 212 enrollees.

To make professional development more convenient and accessible for RIMS members, the Society further developed its online courses, webinars and in-company trainings. RIMS added the Construction Risk and Insurance Specialist (CRIS®) certification and Winchester Center for Management Development library to its web-based training programs. RIMS hosted four in-company workshops and more than 10 hour-long webinars covering timely issues such as FEMA's new disaster claims policy; what top management wants in an ERM program; and a series featuring industry leaders' insights to the turmoil in the financial markets. In addition, RIMS added a new on-demand webinar, ERM Boot Camp, that provides practitioners with hands-on approaches to ERM implementation.

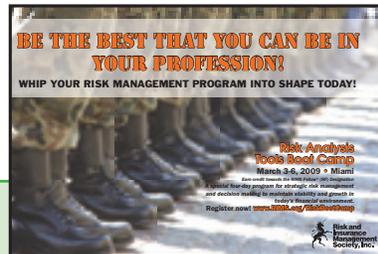
Thirty-five students attended RIMS 2008 Annual Conference & Exhibition with the support of RIMS Anita Benedetti Student Involvement Program (ABSIP). While at the conference, students attended an Educational Roundtable where they were placed into teams, assigned roles to play and given practical scenarios to work through and find solutions. They also attended breakfasts and lunches sponsored by RIMS chapters and industry partners, allowing them to interact with industry leaders.

1,017
practitioners
attended
56 workshops

New for 2009

RIMS offers a four-day Risk Analysis Tools Boot Camp as well as a series of podcasts on important risk management topics.

Also look for courses on Advanced Workers' Compensation Management, Entrepreneurial Risk Management as a Profit Center and Risk Assessment in the Public Sector.



RIMS continues to develop new programs that bring together members and strengthen the influence of risk practitioners across the United States. During RIMS 2008 Annual Conference & Exhibition in San Diego, RIMS External Affairs Committee held its first session titled *Expanding the Role of Risk Managers on Capitol Hill and in the Halls of the State House*.

Also during the conference, RIMS External Affairs Committee and a group of members met with the Government Accountability Office (GAO) to discuss the availability of terrorism insurance coverage required by the Terrorism Risk Insurance Act (TRIA). In December, the Society called upon Congress to revisit acts of terrorism involving nuclear, biological, chemical or radiological (NBCR) weapons in the Terrorism Risk Insurance Program Reauthorization Act of 2007 based on the most recent GAO report.

Another program completed was the Legislative Handbook, a guide to create greater participation in government affairs at both the state and federal levels. The handbook provides RIMS chapters with guidance on lobbying their state and federal governments and hosting mini legislative conferences.

In June, the Society held the 10th Annual RIMS on the Hill legislative conference in Washington, D.C. More than 40 risk professionals attended—and half of them were there for the first time! The two-day event gave members a unique opportunity to meet with congressional leaders in their region and get risk managers' interests heard and incorporated into key legislation.

On the heels of RIMS on the Hill, a grassroots letter-writing campaign was conducted to persuade the U.S. Senate Banking, Housing and Urban Affairs Committee to approve the bill on surplus lines legislation. In total, nearly 100 letters from RIMS members were sent through RIMS Legislative Action Center.

In July, RIMS President Janice Ochenkowski testified before the New York Attorney General and New York Superintendent of Insurance Offices on the issue of broker compensation and whether contingency fees posed an inherent conflict of interest and should be eliminated. In her testimony, Ms. Ochenkowski emphasized RIMS position in support of a broad prohibition of contingent fees for insurance producers.

When the New York State Insurance Department asserted a strict policy in October on contract certainty for brokers and insurers operating in-state, RIMS wholeheartedly supported Superintendent Eric Dinallo's call for contract certainty and encouraged other states to adopt similar proposals.

The Committee held its first session at RIMS 2008 Annual Conference & Exhibition titled

“Expanding the Role of Risk Managers on Capitol Hill and in the Halls of the State House”

New for 2009

To get chapters more involved in RIMS government affairs program, chapters will hold mini legislative conferences—California and Texas will be the first early in 2009.

Get an in-depth view of the most pressing legislative issues facing the industry and learn how to get involved during *Speak Up! Ignite Your Legislative Voice* at RIMS 2009 Annual Conference & Exhibition.

Change is in the air at the 11th Annual RIMS on the Hill legislative conference, June 7-9, 2009.

Conferences

Change the Way You Talk About Risk

In San Diego, nearly 10,000 risk professionals gathered to change the way they view risk at [RIMS 2008 Annual Conference & Exhibition](#) on April 27–May 1. The event had everything risk practitioners could ask for: dynamite educational sessions, inspiring keynote presentations, dazzling special events and an Exhibit Hall with 450+ exhibitors gung-ho to help risk practitioners improve their programs.

More than 400 industry experts lead 130+ sessions on a variety of critical risk management issues, with 18 sessions focused on ERM. Hot Topic sessions included *Green by Design: Insurance Coverage for Building Green*, *California Wildfires*, *Building Resiliency through ERM: Responding to the Call for Private Sector Preparedness* and *2009 Medicare Legislation*. Some of the popular sessions covered how to effectively manage workers' compensation claims, initiate a risk mapping project and identify potential shortcomings in D&O policies. And, newly-organized Strategic Partner Sessions from the nation's leading insurers and brokers focused on topics that addressed the needs and concerns of the risk management and insurance community.

Keynote speakers included Christopher Gardner, the man behind the book and blockbuster movie, "The Pursuit of Happyness," who shared his personal story of overcoming poverty, homelessness and a lack of education to become the head of a successful brokerage firm in San Francisco. Lauralee Martin, CFO and COO at Jones Lang LaSalle Incorporated, spoke of the importance of risk management in the C-suite. And Gert Cruywagen, author and group manager of risk management at Sappi Ltd., shared his "exotic" approach to risk management through lessons learned from observing the wildlife roaming South Africa.

Nearly 180 risk professionals volunteered for the second annual RIMS Community Service Day at King Chavez Academy Charter School. At this event, supported by Aon, volunteers spent the day building a safe play area for students—including a walkway, garden, flower boxes and mural. RIMS also presented a \$10,000 donation to the [Monarch School](#), a school for homeless children. The funds benefited the After School Program, which offers enrollment in classes such as karate, tennis, dance, music, drawing and painting. The donation was made on behalf of the 400 speakers at the conference.

After the Society honored its "stars" at the Awards Luncheon, the doo-wop group The Coasters took to the stage and got everyone's toes tapping with their classic songs such as "Poison Ivy" and "Love Potion No. 9." Tuesday afternoon, practitioners flocked to the Exhibit Hall to catch up with service providers and fellow attendees at the inaugural Wine and Cheese Networking Reception. And Wednesday evening, attendees were enchanted by Cirque Dreams, a theatrical dream world performance complete with displays of contortion, balancing, strength and juggling.

In an effort to make the conference eco-friendly, recyclable materials and soy-based inks were used in banners, carpeting, signage and badge holders. Other green initiatives included the use of energy efficient electronics such as air conditioning and lighting; donation of excess food to local charities; and the use of water coolers in lieu of plastic water bottles.



Christopher Gardner



**Attendees were
enchanted by
Cirque Dreams**

New for 2009

A number of sessions at RIMS 2009 Annual Conference & Exhibition will address the current global economic crisis as well as continue the focus on ERM to help members operate more effectively during challenging times.

More virtual events!

RISK LIVE!

RIMS Virtual Conference & Expo

In 2008, RIMS hosted its first cyber conference—RiskLive! RIMS Virtual Conference & Expo. More than 500 risk professionals logged on to participate. RiskLive! offered 14 educational sessions, online networking and a virtual exhibit hall featuring some of the latest industry products and services. Attendees were able to learn about new risk management trends, catch up with colleagues, walk the exhibit hall and view product demos—all from the comfort of their offices.

500 risk professionals logged on



professional networks

To help RIMS members connect, RIMS unveiled an enhanced website, complete with professional networking capabilities and more functionality. The site includes a fresh new look and user-friendly navigation that increases members access to tools and resources that the Society offers. [RIMS Resource Library](#), [Member Directory](#) and [eGroups](#) were updated to incorporate the professional networking functionality, making it easier for members to download video and audio clips, share articles and white papers, access and edit wikis, and connect with like-minded practitioners around the globe.

eGroups

blogs

Technology

Enhancing the Member Connection

New for 2009

Added professional networking tools that allow members to publish blogs, create networks of contacts and much more!

New web-based chapter tools to manage member records and registration for chapter and regional events.

RISK MANAGEMENT

Risk Management Goes Mainstream



Risk Management re-launched with an increased relevance to business executives and top management. The look of the magazine changed dramatically—with a bold new masthead and sleek matte cover. And readers now enjoy an expanded ForeFront section filled with industry news, insightful features, reoccurring columns by editorial staff and contributing authors, and a page dedicated to current events at RIMS and its 80 chapters. As a way to cover daily news affecting the risk community, the editors began publishing a blog. Updated daily, the blog has attracted a lot of reader feedback and extensively covered the financial industry fallout. The magazine's editors co-authored articles in mainstream publications including *Financier Worldwide*, *New European Economist* and the *Wall Street Journal*. And, the magazine unveiled a special spotlight issue to provide readers with a map to navigate the world of international risk.

Publications

New for 2009

The magazine is changing its annual frequency from a monthly to a 10-issue publication.

The online version of *Risk Management* will feature social networking bookmarks so readers can share articles on Facebook, Twitter and other sites. In addition, the [blog](#) will launch its own distinct website to create a separate, but related, media brand for RIMS.



**John R. Phelps, ARM,
CPCU, CBCP**
Treasurer

This commentary is to highlight some areas of the December 31, 2008 audited financial statements of the Risk and Insurance Management Society, Inc. and Subsidiary (all numbers rounded to the nearest thousand):

- **Consolidated Statements of Financial Position** show a decrease of \$3.855M in cash and investments. The net assets decreased by \$3.693M in 2008, and our net assets (reserves) are \$6.640M at the end of 2008. These changes are a result of the falling stock market which resulted in \$4.849M realized and unrealized losses on RIMS investments. It's important to note that the Board does not consider investment gains or income when approving the annual budget, so the market downturn had no effect on RIMS ability to serve its members.
- **Consolidated Statements of Activities**
 - Conference revenue has increased by \$853K reflecting an increase in registration income and hotel room credit revenue.
 - Membership dues revenue has grown by \$89K due to an increase in members.
 - Advertising revenue is \$103K higher due to the growth of online advertising.
 - Investment income has gone down by \$5.219M reflecting realized and unrealized losses of \$4.849M as well as a decrease of \$354K in dividends and interest received. Please see Footnote No. 3 for an explanation of investments held.
 - Conference expense is \$625K higher because of a general increase in all expenses, including speakers meals and equipment rental.
 - Publications expense increased \$288K, reflecting unrelated business income tax paid on advertising revenues and increased production expenses.
 - Marketing and Communications expense is \$132K more, reflecting a full staff complement.
 - Professional Development expense is up by \$149K because of an increase in workshops held during the year.
 - Government Affairs expense went up by \$182K as a result of having two staff members in 2008, and renting an office in Washington, D.C.
- **Consolidated Statements of Cash Flows:** The variances from 2008 to 2007 on the schedule have been discussed above.

RIMS is monitoring the 2009 financial downturn carefully, and pledges to continue to provide the outstanding programs that aid our members in their chosen careers. The efforts of all the staff and volunteers who contribute every day to the success of this organization are greatly appreciated.

Respectfully submitted,



John R. Phelps, ARM, CPCU, CBCP
Treasurer

Risk and Insurance Management Society, Inc. and Subsidiary

Consolidated Financial Statements
(with supplemental information)

Years Ended December 31, 2008 and 2007



Contents

Independent Auditors' Report	18
Consolidated Financial Statements:	
Consolidated Statements of Financial Position	19
Consolidated Statements of Activities	20
Consolidated Statements of Cash Flows	21
Summary of Accounting Policies	22-24
Notes to Consolidated Financial Statements	25-31
Supplemental Information	
Independent Auditors' Report on Supplemental Information	33
Consolidating Statements of Financial Position– December 31, 2008 and December 31, 2007	34
Consolidating Statements of Activities and Changes in Net Assets– Year Ended December 31, 2008 and December 31, 2007	35



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Accountants and Consultants
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Bethesda, Maryland 20814-4827
Telephone: (301) 654-4900
Fax: (301) 654-3567

Independent Auditors' Report

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

We have audited the accompanying consolidated statements of financial position of the **Risk and Insurance Management Society, Inc. and Subsidiary** (the Organization) as of December 31, 2008 and 2007, 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 the **Risk and Insurance Management Society, Inc. and Subsidiary** at December 31, 2008 and 2007, 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

February 17, 2009

Consolidated Statements of Financial Position

December 31,	2008	2007
Assets		
Current assets		
Cash and cash equivalents	\$ 1,184,451	\$ 288,207
Advertising receivables, less allowance for doubtful debts of \$1,712 in 2008 and 2007	122,204	94,172
Other receivables	14,863	19,323
Prepaid conference expenses	483,872	356,070
Other prepaid expenses and deposits	331,397	224,184
Total current assets	2,136,787	981,956
Noncurrent assets		
Property and equipment, net	2,174,521	2,026,030
Investments held for chapters	61,422	91,079
Investments, at fair value	8,721,642	13,473,364
Total noncurrent assets	10,957,585	15,590,473
Total assets	\$ 13,094,372	\$ 16,572,429
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	\$ 938,879	\$ 883,734
Deferred conference revenue	2,849,832	2,814,720
Deferred dues revenue	1,187,081	982,030
Other deferred revenue	470,088	405,675
Grant payable, current portion	100,000	100,000
Deferred rent, current portion	15,430	15,430
Total current liabilities	5,561,310	5,201,589
Noncurrent liabilities		
Deferred rent, net of current portion	831,518	846,948
Grant payable, net of current portion	-	100,000
Liability for chapter investments	61,422	91,079
Total noncurrent liabilities	892,940	1,038,027
Total liabilities	6,454,250	6,239,616
Commitments and contingencies		
Net assets		
Unrestricted	6,640,122	10,322,780
Temporarily restricted	-	10,033
Total net assets	6,640,122	10,332,813
Total liabilities and net assets	\$ 13,094,372	\$ 16,572,429

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

Consolidated Statements of Activities

Years ended December 31,	2008			2007		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenue, Gains, and Other Support						
Conference	\$ 7,687,438	\$ -	\$ 7,687,438	\$ 6,833,970	\$ -	\$ 6,833,970
Membership dues	2,296,173	-	2,296,173	2,207,120	-	2,207,120
Advertising	1,040,313	-	1,040,313	913,577	-	913,577
Publications	1,001,837	-	1,001,837	978,552	-	978,552
Membership and chapter services	742,721	-	742,721	659,756	-	659,756
Professional development	684,913	-	684,913	668,658	-	668,658
Other revenue	285,443	-	285,443	262,719	-	262,719
Investment income	(4,379,530)	-	(4,379,530)	839,338	-	839,338
Net assets released from restrictions						
Satisfaction of program restrictions	10,033	(10,033)	-	-	-	-
Total revenue, gains, and other support	9,369,341	(10,033)	9,359,308	13,363,690	-	13,363,690
Expenses						
Program services						
Conference	3,683,279	-	3,683,279	3,058,249	-	3,058,249
Publications	1,702,216	-	1,702,216	1,414,333	-	1,414,333
Marketing and communications	1,035,915	-	1,035,915	904,171	-	904,171
Professional development	1,017,903	-	1,017,903	869,083	-	869,083
Membership and chapter services	718,997	-	718,997	632,140	-	632,140
Government affairs	450,929	-	450,929	268,637	-	268,637
Total program services	8,609,239	-	8,609,239	7,146,613	-	7,146,613
Supporting services						
General and administration	3,843,801	-	3,843,801	3,803,107	-	3,803,107
Member services	598,959	-	598,959	609,202	-	609,202
Total supporting services	4,442,760	-	4,442,760	4,412,309	-	4,412,309
Total expenses	13,051,999	-	13,051,999	11,558,922	-	11,558,922
Change in net assets	(3,682,658)	(10,033)	(3,692,691)	1,804,768	-	1,804,768
Net assets at beginning of year	10,322,780	10,033	10,332,813	8,518,012	10,033	8,528,045
Net assets at end of year	\$ 6,640,122	\$ -	\$ 6,640,122	\$ 10,322,780	\$ 10,033	\$ 10,332,813

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

Consolidated Statements of Cash Flows

<i>Years ended December 31,</i>	2008	2007
Cash flows from operating activities		
Change in net assets	\$ (3,692,691)	\$ 1,804,768
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	550,511	421,163
Loss on disposal of property and equipment	6,692	775
Net realized and unrealized losses (gains) on investments	4,849,057	(12,862)
(Increase) decrease in assets		
Advertising receivables	(28,032)	59,117
Other receivables	4,460	(12,442)
Prepaid conference expenses	(127,802)	(104,543)
Other prepaid expenses and deposits	(107,213)	23,995
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	55,145	285,757
Deferred conference revenue	35,112	(196,650)
Deferred dues revenue	205,051	(141,326)
Other deferred revenue	64,413	(50,644)
Grant payable	(100,000)	200,000
Deferred rent	(15,430)	(15,430)
Net cash provided by operating activities	1,699,273	2,261,678
Cash flows from investing activities		
Purchases of property and equipment	(705,694)	(572,634)
Purchases of investments	(5,677,537)	(5,107,403)
Proceeds from sales of investments	5,580,202	3,015,802
Net cash used in investing activities	(803,029)	(2,664,235)
Increase (decrease) in cash and cash equivalents	896,244	(402,557)
Cash and cash equivalents, beginning of year	288,207	690,764
Cash and cash equivalents, end of year	\$ 1,184,451	\$ 288,207

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

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 more than 4,000 industrial, service, not-for-profit, charitable and governmental entities. RIMS serves more than 10,600 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, 2008 and 2007 is adequate. However, actual write-offs might exceed the recorded allowance.</p>

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 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 carried at readily determinable fair value with realized and unrealized gains and losses included in the statements of activities. All of the Organization's investments have been identified as Level I in the fair value hierarchy as they have values based on quoted prices in active markets for identical assets. Interest and dividend income are recorded as revenue when earned.

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.

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.

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, 2008 or 2007. Additionally, RIMS has charitable contributions deduction carryforwards of approximately \$442,000 and \$447,000 at December 31, 2008 and 2007, respectively. These contributions carryforwards expire in 2022 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, 2008 and 2007.

2. Property and Equipment

Property and equipment consists of the following at:

<i>December 31,</i>	2008	2007
Leasehold improvements	\$ 1,343,280	\$ 1,343,280
Computer software	1,017,054	673,095
Furniture and office equipment	630,313	505,786
Computer hardware	508,983	389,195
	3,499,630	2,911,356
Less accumulated depreciation and Amortization	(1,325,109)	(885,326)
Net	\$ 2,174,521	\$ 2,026,030

Depreciation and amortization expense was \$550,511 and \$421,163 in 2008 and 2007, respectively.

Notes to Consolidated Financial Statements

3. Investments

The fair value of investments held is as follows at:

<i>December 31,</i>	2008	2007
Mutual funds - equity	\$ 6,018,601	\$ 9,520,342
Mutual funds - debt	2,307,333	3,649,109
Certificates of deposit	389,913	303,700
Money market funds	5,795	213
	\$ 8,721,642	\$ 13,473,364

Included in the certificates of deposit is collateral of \$138,355 and \$227,961 at December 31, 2008 and 2007, respectively, 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>	2008	2007
Interest and dividends	\$ 502,234	\$ 856,063
Net realized and unrealized (losses) gains on investments	(4,849,057)	12,862
Less: Investment management fees	(32,707)	(29,587)
	\$ (4,379,530)	\$ 839,338

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 \$34,600 and \$33,000 in 2008 and 2007, respectively. The fees from the Foundation amounted to \$126,790 and \$120,752 in 2008 and 2007, 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, 2008 and 2007, the total grant payable to the Foundation was \$100,000, and \$200,000, respectively.

Notes to Consolidated Financial Statements

- 5. Pension and Deferred Compensation Plans**
- Defined Contribution Plan*
- RIMS had 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 were defined as 6% of the gross salaries of eligible employees. Costs related to the plan were funded on a current basis through the purchase of Simplified Employee Pension Individual Retirement Accounts. Contributions to the plan vested with the individual employees immediately.
- The plan was discontinued on January 1, 2007.
- 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 \$308,852 and \$276,918 for the years ended December 31, 2008 and 2007, 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 13 years and 10 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 11. In addition, the landlord made concessions to reimburse RIMS for leasehold improvements.

Notes to Consolidated Financial Statements

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

<i>Years ending December 31,</i>	
2009	\$ 552,857
2010	576,120
2011	605,133
2012	605,133
2013	605,133
Thereafter	3,003,564
	\$ 5,947,940

Rent expense for office space, including escalation and maintenance charges, was \$538,354 and \$538,810 for the years ended December 31, 2008 and 2007, respectively. Equipment lease expense was \$114,167 and \$93,752 for the years ended December 31, 2008 and 2007, 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, 2008 and 2007, in the amount of \$0 and \$10,033, respectively, are restricted for GRMI activities towards the promotion of risk management education and the exchange of ideas among risk management professionals.

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 RIMS Annual Conference & 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.

Marketing and 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. Online courses are also offered through partnerships with vendors. It also administers the programs for the RIMS Fellow® (RF) designation, the RIMS Anita Benedetti Student Involvement Program, and the Canadian Risk Management (CRM) designation.

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 Stronger 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 legislative conference, which brings approximately 50 risk managers to Washington, D.C. 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.

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 & Exhibition.

The department also reviews and monitors program goals for member recruitment and retention.

- 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 10 local Canadian chapters.

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

<i>December 31,</i>	2008		2007	
	US\$	CAN\$	US\$	CAN\$
Cash and cash equivalents	\$ 31,134	\$ 37,920	\$ 34,166	\$ 34,166
Prepaid conference expenses	72,820	88,695	-	-
Investments	406,999	495,722	537,232	528,449
Net assets	\$ 510,953	\$ 622,337	\$ 571,398	\$ 562,615

Revenue and expenses of RIMS Canada Council are as follows:

<i>December 31,</i>	2008		2007	
	US\$	CAN\$	US\$	CAN\$
Other revenue	\$ 258,880	\$ 274,208	\$ 189,258	\$ 185,656
Interest and investment income	(173,871)	(184,166)	8,790	8,623
Foreign exchange translation gain	9,414	133,718	87,518	-
Expenses	(154,868)	(164,038)	(223,122)	(224,850)
Change in net assets	\$ (60,445)	\$ 59,722	\$ 62,444	\$ (30,571)

Supplemental Information





BDO Seidman, LLP
Accountants and Consultants
7101 Wisconsin Avenue, Suite 800
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Independent Auditors' Report on Supplemental Information

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

Our report on our audits of the consolidated financial statements of the **Risk and Insurance Management Society, Inc. and Subsidiary** for 2008 and 2007 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

February 17, 2009

Consolidating Statements of Financial Position

	2008		2007		
	Risk and Insurance Management Society, Inc.	Global Risk Management Institute	Risk and Insurance Management Society, Inc.	Global Risk Management Institute	Consolidated
Assets					
Current assets					
Cash and cash equivalents	\$ 1,113,572	\$ 70,879	\$ 1,184,451	\$ 263,793	\$ 288,207
Advertising receivables, less allowance for doubtful debts of \$1,712 in 2008 and 2007	122,204	-	122,204	94,172	94,172
Other receivables	14,863	-	14,863	19,323	19,323
Prepaid conference expenses	483,872	-	483,872	356,070	356,070
Other prepaid expenses and deposits	331,397	-	331,397	224,184	224,184
Total current assets	2,065,908	70,879	2,136,787	957,542	981,956
Noncurrent assets					
Property and equipment, net	2,174,521	-	2,174,521	2,026,030	2,026,030
Investments held for chapters	61,422	-	61,422	91,079	91,079
Investments, at fair value	8,486,341	235,301	8,721,642	13,139,227	13,473,364
Total noncurrent assets	10,722,284	235,301	10,957,585	15,256,336	15,590,473
Total assets	\$ 12,788,192	\$ 306,180	\$ 13,094,372	\$ 16,213,878	\$ 16,572,429
Liabilities and Net Assets					
Current liabilities					
Accounts payable and accrued expenses	\$ 938,620	\$ 259	\$ 938,879	\$ 883,582	\$ 883,734
Deferred conference revenue	2,849,832	-	2,849,832	2,814,720	2,814,720
Deferred dues revenue	1,187,081	-	1,187,081	982,030	982,030
Other deferred revenue	470,088	-	470,088	405,675	405,675
Grant payable, current portion	100,000	-	100,000	100,000	100,000
Deferred rent, current portion	15,430	-	15,430	15,430	15,430
Total current liabilities	5,561,051	259	5,561,310	5,201,437	5,201,589
Noncurrent liability					
Deferred rent, net of current portion	831,518	-	831,518	846,948	846,948
Grant payable, net of current portion	-	-	-	100,000	100,000
Liability for chapter investments	61,422	-	61,422	91,079	91,079
Total noncurrent liabilities	892,940	-	892,940	1,038,027	1,038,027
Total liabilities	6,453,991	259	6,454,250	6,239,464	6,239,616
Commitments and contingencies					
Net assets					
Unrestricted	6,334,201	305,921	6,640,122	9,974,414	10,322,780
Temporarily restricted	-	-	-	-	10,033
Total net assets	6,334,201	305,921	6,640,122	9,974,414	10,332,813
Total liabilities and net assets	\$ 12,788,192	\$ 306,180	\$ 13,094,372	\$ 16,213,878	\$ 16,572,429

Consolidating Statements of Activities and Changes in Net Assets

	2008		2007	
	Risk and Insurance Management Society, Inc.	Global Risk Management Institute	Risk and Insurance Management Society, Inc.	Global Risk Management Institute
	Consolidated	Consolidated	Consolidated	Consolidated
Changes in Unrestricted Net Assets				
Revenue, Gains, and Other Support	\$ 7,687,438	\$ -	\$ 6,833,970	\$ -
Conference	2,296,173	-	2,207,120	-
Membership dues	1,040,313	-	913,577	-
Advertising	1,001,837	-	978,552	-
Publications	742,721	-	659,756	-
Membership and chapter services	684,913	-	668,658	-
Professional development	188,993	96,450	194,170	68,549
Other revenue	(4,259,425)	(120,105)	823,925	15,413
Investment income				
Net assets released from restrictions:				
Satisfaction of program restrictions	10,033	10,033	-	-
Total revenue, gains, and other support	9,382,963	(13,622)	13,279,728	83,962
Expenses				
Program services				
Conference	3,683,279	-	3,058,249	-
Publications	1,702,216	-	1,414,333	-
Marketing and Communications	1,035,915	-	904,171	-
Professional development	992,814	25,089	848,394	20,689
Membership and chapter services	718,997	-	632,140	-
Government affairs	450,929	-	268,637	-
Total program services	8,584,150	25,089	7,125,924	20,689
Supporting services				
General and administration	3,840,067	3,734	3,799,581	3,526
Member services	598,959	-	609,202	-
Total supporting services	4,439,026	3,734	4,408,783	3,526
Total expenses	13,023,176	28,823	11,534,707	24,215
Changes in unrestricted net assets	(3,640,213)	(42,445)	1,745,021	59,747
Changes in Temporarily Restricted Net Assets				
Net assets released from restrictions:				
Satisfaction of program restrictions	-	(10,033)	-	-
Change in temporarily restricted net assets	-	(10,033)	-	-
Change in net assets	(3,640,213)	(52,478)	1,745,021	59,747
Net assets at beginning of year	9,974,414	358,399	8,223,393	298,652
Net assets at end of year	\$ 6,334,201	\$ 305,921	\$ 9,974,414	\$ 358,399
			\$	\$
			6,640,122	10,332,813



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Gung-ho

Dynamize

Razzle-Dazzle

Inspiration

