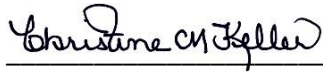


Monitoring Report VII: Asset Protection

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I certify that the information contained in this report is true.



Christine M Keller, Executive Director & CEO

11/24/2025

Date

The reporting period is from November 1, 2024 to October 31, 2025 unless otherwise noted.

Global Policy Language

The Executive Director will not cause or allow Association assets to be unprotected, inadequately maintained or unnecessarily risked.

Interpretation

The interpretations and accompanying evidence for Policies A through I reasonably demonstrate that the Executive Director does not cause or allow Association assets to be unprotected, inadequately maintained, or unnecessarily risked. This interpretation is reasonable because “assets” are defined broadly to include financial resources, human resources, reputation, intellectual property, and material property.

Evidence

In aggregate, the evidence presented for Policies A through I provides reasonable assurance that the Executive Director has implemented and maintained appropriate safeguards, standards, processes, and systems to protect Association assets. These assets include AIR’s financial capital, human capital, reputation, intellectual property, and material property. Together, this evidence demonstrates that protections are both adequate and consistently applied.

Compliance Statement

I report compliance.

A. Policy Language

The Executive Director will not allow Board members, staff, and the Association itself to be inadequately insured against theft, casualty, and liability losses.

Interpretation 1

AIR will obtain an annual external review of existing insurance coverage by a certified insurance or risk-management professional to verify that AIR is adequately insured against theft, casualty, and liability losses.

Evidence 1

During the reporting period, AIR consulted with its insurance brokers at Brown & Brown regarding the Association’s business insurance coverage.

Compliance Statement 1

I report compliance.

Interpretation 2

AIR will maintain insurance coverage that is adequate to protect the Association against typical business claims and losses.

Evidence 2

The following insurance policies were in effect during the reporting period - November 1, 2024 to October 31, 2025:

- Workers Compensation
- Cyber Liability Policy
- Commercial General Liability Insurance (includes general liability, automobile, business income loss, employee dishonesty, employment practices liability, employee benefits, injury, and property)
- Professional Liability
- Commercial Umbrella Policy (includes general liability, automobile liability, employers’ liability, and employee benefits)

Compliance Statement 2

I report compliance.

B. Policy Language

The Executive Director will not unnecessarily expose the Association, its Board or staff to claims of liability.

Interpretation 1

- To minimize the risk of employment-related liability claims, AIR will obtain an external review of human-resources policies and practices at least every two years. In the years when an external review is not conducted, AIR will complete an internal audit of personnel records and policies.
- At least every two years, the AIR Employee Handbook will be reviewed by a human-resource professional to ensure that it does not unnecessarily expose AIR to liability in employment matters. *(See also the interpretation for Policy III-A, Treatment of Staff.)*

Evidence 1

Taken together, the evidence below demonstrates prudent actions to reduce the risk of employment-related liability claims.

- AIR’s HR consultant, Linda Barineau of H R Solutions, LLC, conducted a multi-year audit in late 2024 and early 2025. The audit included a review of employment recordkeeping, personnel files, operational policies and practices, compliance, the Employee Handbook, and general best practices. No significant exposures to liability claims were identified.
- In addition to the annual review conducted as part of the HR audit, the AIR Employee Handbook is updated as needed to reflect changes in best practice, state and federal regulations, and AIR’s organizational needs.

Compliance Statement 1

I report compliance.

Interpretation 2

AIR will maintain insurance coverage at levels adequate to protect the Association, staff, and Board members in the event of a liability claim.

Evidence 2

The following insurance policies were in effect during the reporting period - November 1, 2024 to October 31, 2025:

- Workers Compensation
- Commercial General Liability Insurance includes general liability, automobile, business income loss, employee dishonesty, employment practices liability, employee benefits, injury, and property)
- Professional Liability
- Commercial Umbrella Policy (includes general liability, automobile liability, employers’ liability, and employee benefit)

Compliance Statement 2

I report compliance.

C1. Policy Language

The Executive Director will not make any purchase ... (1) wherein normally prudent protection has not been given against conflict of interest.

Interpretation

- AIR staff and Board members will annually provide a statement of potential conflicts of interest, which will be used to identify any high-concern vendors or clients.
- Compliance with the Executive Limitations related to large purchases and commitments will provide transparency in financial activities and ensure prudent protection against conflicts of interest.
- AIR staff will annually sign an acknowledgement of the policies and standards of conduct outlined in the current Employee Handbook—including conflict-of-interest–related policies such as acceptance of gifts, reward points, confidentiality, and obligating the organization.

Evidence

Taken together, the evidence below demonstrates prudent protection and transparency to guard against conflicts of interest in purchasing.

- All AIR staff, including the Executive Director, signed or updated a conflict-of-interest statement in January 2025. AIR Board members from the 2024–25 and 2025–26 Boards signed or updated their conflict-of-interest statements in May 2024 and May 2025. No high-concern vendors or clients were identified.
- Quarterly *Financial Conditions and Activities* monitoring reports (EL V, Policies F and G) provide transparency regarding large purchases and prudent protection against conflicts of interest:

EL V. The Executive Director will not

F. Make a single purchase or commitment of greater than \$140,000 without notifying the Board within seven days. Splitting orders to avoid this limit is not acceptable.

G. Make a single purchase or commitment of greater than \$350,000. Splitting orders to avoid this limit is not acceptable.

- All AIR staff, including the Executive Director, signed an acknowledgement of the Employee Handbook’s policies and standards of conduct—including acceptance of gifts, reward points, confidentiality, and obligating the organization—in January 2025.

Compliance Statement

I report compliance.

C2. Policy Language

The Executive Director will not make any purchase ... (2) of over \$70,000 without having obtained comparative prices and quality.

Interpretation

Purchase decisions over \$70,000 will be supported with evidence demonstrating that comparative information on price and value was obtained and considered.

Evidence

One commitment exceeded \$70,000 during the reporting period - a contract for up to \$78,000 for fractional CIO services from DelCor.

This decision was based on the following.

- AIR's prior experience with DelCor as its managed service provider.
- The established working relationship with the DelCor CIO/consultant, who previously served as AIR's project manager for an IT assessment.
- The benefits of continuity and integrated service delivery, which minimized disruption for AIR staff.

These factors provided a reasonable basis for comparing price, value, and quality.

Compliance Statement

I report compliance.

C3. Policy Language

The Executive Director will not make any purchase ... (3) of over \$140,000 without a stringent method of assuring the balance of long term quality and cost. Orders shall not be split to avoid these criteria.

Interpretation

Purchase decisions for goods or services over \$140,000 will involve either comparative pricing and evaluation or an open bidding process. Evaluations may consider previous experience with the vendor, on-site inspections, reference checks, national benchmarks, service ratings, and/or relevant expert advice to ensure an appropriate balance of long-term quality and cost.

Evidence

One purchase decision exceeded \$140,000 during the reporting period. In March 2025, AIR signed a contract for audio-visual services for the 2025 AIR Forum at a cost of \$160,000. AV Media was selected following a competitive RFP process. Although not the lowest bidder, AV Media has been AIR's preferred AV vendor for several years and offered a significant price reduction to maintain the relationship. Their demonstrated reliability, professionalism, and high-quality service—critical for a large, high-visibility event such as the Forum—provided strong assurance of long-term value relative to cost.

Compliance Statement

I report compliance.

D. Policy Language

The Executive Director will not allow intellectual property, information and files to be exposed to loss or significant damage.

Interpretation 1

AIR will ensure that all contracts with subject-matter experts who develop content for AIR's educational services contain a clear statement about the ownership of intellectual property rights.

Evidence 1

For the development of educational content, AIR uses a standard contract template signed by all parties. The contract specifies whether the content or work performed is "work for hire" (solely owned by AIR) or shared copyright (where both parties hold ownership rights).

Compliance Statement 1

I report compliance.

Interpretation 2

- All data within AIR's systems will be securely stored and backed up at least once per day, with appropriate attention to redundancy, durability, and recoverability.
- Cyber liability insurance will be maintained to help mitigate the costs associated with cyber threats or breaches involving computer systems and data.

Evidence 2

- AIR's management and financial systems are maintained through Software-as-a-Service (SaaS) providers. All SaaS providers back up data no less than once per day, and database transactions can be restored to the point of failure. Data are stored in secure locations with multiple redundancies, 24/7 monitoring, and regularly tested backup and restoration processes. DelCor also monitors all Microsoft products used by AIR as part of their service agreement.
- Cyber liability insurance provides an additional layer of protection against hackers, ransom attacks, and data breaches. AIR's cyber liability policy would help the Association recover after a data breach and mitigate the costs of business disruption, revenue loss, equipment damage, legal fees, and costs associated with legally required notifications.

Compliance Statement 2

I report compliance.

E. Policy Language

The Executive Director will not receive, process, or disburse funds under controls that are insufficient to meet the Board appointed auditor's standards.

Interpretation

AIR's annual audit will result in auditors' reports that contain no negative opinion regarding the representation of AIR's financial position and no matters requiring reporting under Government Auditing Standards (GASB) requirements.

Evidence

The *Report of Independent Auditors*¹ issued by Thomas Howell Ferguson, PA on May 7, 2025, to the AIR Board of Directors states the following.

"In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association for Institutional Research, Inc. as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America." (p. 1)

No negative opinions or findings requiring GASB reporting were identified.

Compliance Statement 2

I report compliance.

F. Policy Language

The Executive Director will not compromise the independence of the Board's audit or other external monitoring or advice. Engaging parties already chosen by the Board as consultants or advisers is unacceptable.

Interpretation 1

The annual audit reports will include a positive evaluation of the support provided by the Executive Office in producing the audit, consistent with normal and customary standards for auditor independence.

Evidence 1

The *Report to Those Charged with Governance*, issued by Thomas Howell Ferguson, PA on May 7, 2025, includes the following statements:

- *"We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit or significant disclosures to be included in the financial statements." (p. 3)*

¹ [1224 Issued Financial Statements](#), Thomas Howell Ferguson, Association for Institutional Research

- *“We did not encounter any significant difficulties in dealing with management during the audit. We received full cooperation and appreciate the assistance provided by the Association’s financial and accounting personnel.” (p. 3)*
- *“No significant issues arising from the audit were discussed or were the subject of correspondence with management.” (p. 3)*

Compliance Statement 1

I report compliance.

Interpretation 2

The Executive Office will issue no payments or contracts to the Board-selected auditor beyond the Board-authorized engagement (which includes the annual audit and preparation of the IRS Form 990).

Evidence 2

The Executive Office did not engage Thomas Howell Ferguson, PA for any services beyond the Board-authorized audit and Form 990 preparation.

Compliance Statement 2

I report compliance.

Interpretation 3

The Executive Office will issue no contracts or payments to organizations or individuals selected by the Board to conduct independent evaluations of the Association and/or Executive Office staff.

Evidence 3

The Executive Office did not contract with or pay any organizations or individuals hired by the Board for independent evaluations.

Compliance Statement 3

I report compliance.

G. Policy Language

The Executive Director will not invest or hold operating capital in insecure instruments, including uninsured checking accounts and bonds of less than A- rating at any time, or in non-interest-bearing accounts except where necessary to facilitate ease in operational transactions.

Interpretation 1

AIR’s checking account, which holds the Association’s operating capital, will be fully secured through FDIC insurance, which is limited to \$250,000 per bank.

Evidence 1

AIR's operations checking account is housed at Regions Bank and is fully FDIC insured. In addition, AIR uses a money-market sweep account that automatically adjusts the checking account balance so that funds remain below \$250,000 at the close of each business day.

Compliance Statement 1

I report compliance.

Interpretation 2

The money-market sweep account will be an interest-bearing account.

Evidence 2

The money-market sweep account is pegged to a basket of short-term U.S. Treasury bonds. The rate of return varies but averaged approximately 4 percent during the reporting period.

Compliance Statement 2

I report compliance.

H. Policy Language

The Executive Director will not endanger the organization's public image, credibility, or its ability to accomplish Ends.

Interpretation

The Executive Director will ensure the following:

- Contract and grant deliverables are fulfilled.
- No credible allegations arise that AIR engaged in criminal activity.
- No credible legal actions are brought against AIR for breach of contract.
- No governmental agency takes action that limits AIR's activities or jeopardizes AIR's standing as a recognized 501(c)(3) non-profit educational association.

Evidence

Taken together, the evidence below demonstrates that AIR's public image, credibility, and ability to accomplish its Ends were not compromised during the reporting period.

- Deliverables within the RTI subcontract for IPEDS training activities were fulfilled during Option Period 2 (April 2024–September 2025). Deliverables associated with the Gates Foundation grant were also met, including the development of a selection of PDP implementation and training resources for the PDP Training Center.
- No credible allegations of criminal activity occurred during the reporting period.
- No credible legal actions for breach of contract occurred during the reporting period.

- No governmental agency took actions that curtailed AIR's activities or endangered its position as a recognized 501(c)(3) non-profit educational association.

Compliance Statement

I report compliance.

I. Policy Language

The Executive Director will not change the organization's name or substantially alter its identity in the community.

Interpretation

The Executive Director will ensure the following:

- The Association's legal and recognized name—the Association for Institutional Research (AIR)—will continue to be used.
- The Executive Office will maintain a relevant, contemporary, and coherent brand identity that reflects the Association's mission and work.
- The Association's identity within the community will remain consistent with the Board's vision and Ends policies, including AIR's mission to empower higher education professionals to use data, information, and analytics effectively, ethically, and with impact.

This interpretation is reasonable because brand identity includes visual identity, messaging, and reputation, all of which must remain stable while also remaining contemporary and aligned with the Board-defined Ends.

Evidence

While changes to the Association's name or radical alterations to its identity are prohibited by this policy, AIR must maintain marketing and communication strategies that are modern, effective, and reflective of shifts in the profession and in higher education. The evidence below demonstrates that AIR's identity remained stable and aligned with the Board's vision during the reporting period.

- No changes were made to the Association's legal or public name during the reporting period.
- AIR's brand and logo continued to serve as the foundational visual identity for all products and services, both new and ongoing. For example, the AIR brand informed the Forum logo, the Data & Decisions Consulting logo, and the Data and Decisions Academy logo.
- Results from the 2025 AIR Stakeholder Survey² indicate that the community's perception of AIR is aligned with its mission and Ends. The reasons for engagement illustrate that AIR's identity in the community remains consistent with its mission of empowering professionals to use data for better decisions.

² The 2025 Stakeholder Survey was administered to over 17,000 stakeholders in July. Of the 6,348 members surveyed, 580 responded for a response rate of 9%.

- Over 90% of members cited continuing education/professional development and access to best practices as key reasons for engaging with AIR.
- Over 80% cited access to specialized or current information and opportunities to network with others in the field.

Compliance Statement

I report compliance.