MISSION STATEMENT

As the organization representing the entire United States actuarial profession, the American Academy of Actuaries serves the public and the actuarial profession both nationally and internationally through:

a. establishing, maintaining, and enforcing high professional standards of actuarial qualification, practice, and conduct;

b. assisting in the formulation of public policy by providing independent and objective information, analysis, and education; and

c. in cooperation with other organizations representing actuaries
  • representing and advancing the actuarial profession, and
  • increasing the public's recognition of the actuarial profession's value.
2002 Yearbook

American Academy of Actuaries
DEDICATED TO THE MEMORY OF FRIENDS AND COLLEAGUES LOST IN THE TRAGEDY OF SEPTEMBER 11, 2001
# Table of Contents

## 1. Academy Structure
   A. Board of Directors ................................................................. 1
   B. Academy Staff ........................................................................ 4
   C. Academy Councils and Committees
      Committees of the Board .................................................. 7
      Presidential Committees ................................................... 7
      Joint Committees .................................................................. 8
      Secretary-Treasurer Committees ...................................... 9
      Casualty Practice Council ............................................... 12
      Financial Reporting Council .......................................... 18
      Health Practice Council .................................................. 22
      Life Practice Council ..................................................... 32
      Pension Practice Council ............................................... 38
      Council on Professionalism ........................................... 42
   D. Actuarial Standards Board ............................................ 46
   E. Actuarial Board for Counseling and Discipline ............ 50

## 2. Academy Governance and Policies
   A. Strategic Plan 2001-2006 .................................................... 51
   B. Bylaws ................................................................................. 53
   C. Working Agreement .......................................................... 66
   D. Board and Committee Meetings ...................................... 73
   E. Committee Appointment Guidelines ................................ 74
   F. Use of Academy Titles and Designations ...................... 75
   G. Equal Opportunity Policy ................................................. 76
   H. Conflict of Interest Policy ................................................. 77
   I. Guidelines for Making Public Statements ...................... 78
   J. Guidelines for the Development of Practice Notes ....... 83

## 3. Professionalism ................................................................. 85
   A. Professional Standards ....................................................... 86
   B. Qualification Standards Flowchart ................................... 87
   C. Code of Professional Conduct .......................................... 88

## 4. Membership ........................................................................ 93
   A. Membership Requirements ............................................. 94
   B. Prescribed Examinations .................................................. 97
   C. Dues .................................................................................. 98

## 5. History .............................................................................. 99
   A. History ............................................................................ 99
   B. Past Officers .................................................................... 104
   C. Jarvis Farley Service Award .......................................... 108
   D. Robert J. Myers Public Service Award ......................... 109

## 6. Actuarial Organizations
   A. Actuarial Organizations .................................................. 111
   B. Actuarial Clubs ............................................................... 113

## 7. Information Resources ..................................................... 119
8. Strategic Plan
   A. Introduction .............................................................................................................. 123
   B. Mission ........................................................................................................................ 123
   C. Vision .......................................................................................................................... 124
   D. Strategic Directions and Implementing Strategies ........................................ 124
   E. Monitoring and Replanning .................................................................................. 133
   F. Strategic Plan Appendices .................................................................................... 135

9. Management
   A. Roles and Responsibilities .................................................................................... 139
      Board of Directors ............................................................................................ 139
      Executive Committee .................................................................................... 139
      President's Advisory Committee ........................................................................ 139
      Vice Presidents ............................................................................................... 140
      Vice Chairpersons ...................................................................................... 141
      Academy Councils .......................................................................................... 141
      Committees, Task Forces, and Work Groups ............................................ 141
      Committee Chairpersons, Members, and Staff Liaisons ............................ 141
      Committee Chairpersons .............................................................................. 141
      Committee Members .................................................................................... 142
      Staff Liaisons ................................................................................................. 142
      Staff Contacts .................................................................................................. 143
      Staff List .......................................................................................................... 143
      Organizational Chart ..................................................................................... 148
   B. Planning Council Activities .................................................................................... 150
      Planning and Reporting Schedule ................................................................ 150
      Key Issues ............................................................................................................ 151
      Practice Notes .................................................................................................... 151
      Attendance and Activity Monitoring ............................................................ 151
      Coordination with Other Organizations ...................................................... 151
   C. Developing Council Budgets and Monitoring Budget Compliance .......... 152
      Budget Development Schedule and ...
      Vice Presidential Responsibilities .................................................................... 152
      Vice Presidential Budget Development Process ........................................ 152
      Income .............................................................................................................. 152
      Expenses ........................................................................................................... 152
      Cost Estimates ................................................................................................... 153
      Meetings at the Academy ............................................................................... 153
      Meetings at Outside Facilities ......................................................................... 153
      Travel Reimbursement Guidelines .................................................................... 154
      Conference Call Expenses ........................................................................... 154
      Capitol Hill Briefings .................................................................................... 154
      Publications ...................................................................................................... 154
      Vice Presidential Budget Monitoring Responsibilities .................................... 155
      Summary of Specific Budget Responsibilities ................................................ 155
      Vice Presidents ............................................................................................... 155
      Public Policy and Professionalism Directors ............................................. 155
      Director of Finance and Administration ....................................................... 155
      Policy Analysts ............................................................................................... 156
   D. Committee Planning and Reporting................................................................. 156
      Staff Support Coordination ............................................................................. 156
E. Committee Appointments

Committee Appointment Guidelines
Appointment Considerations
Appointment Procedures
Notifying the Academy
Other Actuarial Organization Liaisons
Appointing a Committee Vice Chairperson
Courtesy Letters

F. Meeting Procedures and Guidelines

Committee Meetings
Planning and Budgeting Meetings
Board and Committee Meetings

G. Professionalism Considerations

Proposed Laws
Amicus Curiae Briefs
Presentations
Committee Work
Seminars
Support to the Council on Professionalism

H. Internet Tools for Leadership Groups

List Serves
Policy
Procedures
Web Pages
Policy
Procedures

10. Legal Considerations

A. Scope of Authority
B. Antitrust Policy
C. Compliance with Academy Policies
   Equal Opportunity Policy
   Document Retention Policy
   Conflict of Interest Policy
D. Liability Insurance
E. Consultation with Academy Legal Counsel

11. Communications

A. Communications Strategy
B. Communications Tactics and Tools
   Direct Communications Channels
      Periodicals
      Academy Websites
      Public Policy and Professionalism Publications
   Indirect or “Conduit” Communications Channels
      Media Relations
      Media Relations Assets
      Media Relations Tools
      Official Academy Spokesperson Program
C. Media Relations Operating Principles and Procedures
   Proactive Media Campaigns
   Strategies
A. ACADEMY BOARD OF DIRECTORS

Daniel J. McCarthy  
President  
2004

Robert A. Anker  
President-Elect  
2005

Peter L. Perkins  
Secretary-Treasurer  
2004

Robert J. Rietz*  
Vice President, Professionalism  
2002

Steven G. Lehmann  
Vice President, Casualty  
2002

John P. Parks  
Vice President, Pension  
2003

Stephen J. Preston  
Vice President, Life  
2003

Geoffrey C. Sandler  
Vice President, Health  
2002

Patricia A. Teufel  
Vice President, Financial Reporting  
2003

Lawrence A. Johansen  
Immediate Past President  
2003

Stephen R. Kern  
Past President  
2002

* Elected Jan. 2002 to complete the term of Henry Knowlton.
The Board of Directors has 29 members: the Academy’s nine officers; the immediate past and past president; 10 regular elected directors; and eight special directors consisting of the presidents and presidents-elect of the American Society of Pension Actuaries, the Casualty Actuarial Society, the Conference of Consulting Actuaries, and the Society of Actuaries.

The board establishes the Academy’s goals and priorities. It elects Academy officers and approves the budgets for the Academy, the ASB, and the ABCD. It considers profession-wide policy issues relevant to the Academy’s goals and the profession’s goals. It reviews and, when appropriate, approves interim policy and administrative actions made by the Executive Committee. It also initiates bylaw changes.

*Special directors
Years indicate the year that directors’ terms expire
**B. ACADEMY STAFF**

**Executive Director**

Richard C. Lawson, Executive Director

- Executive Assistant: Gwen Hughes
- Manager of External Relations & Membership Outreach: Angela Heim

**Technology**

- Technology Manager: Mark Paster
- Web Developer: Mary Connelly
- Membership Manager: Sue Steinbach

**Communications**

Noel Card, Director

- Executive Assistant & Meeting Planner: Denise Winston
- Assistant Director for Public Affairs: (vacant)
- Media Relations Manager: Tracey Young
- Communications Assistant: Virginia Keene
- Assistant Director for Publications & Senior Ed., Contingencies: Steve Sullivan
- Managing Ed., New Media & Member Publications: Anne Richardson
- Asst. Managing Ed., Member Publications: Linda Mallon
- Production Manager: Becky Horst
- Editorial Assistant: Angie Moore

**Finance & Administration**

Joanne B. Anderson, Director

- Manager, HR & Office Operations: Gail Ingram
- Staff Accountant: Kathy Bland
- Accounting Coordinator: Alberta Phillips
- Human Resources Coordinator: Vera Hernandez
- Receptionist: Donna Lyons
Legal & Professionalism

Lauren M. Bloom, General Counsel & Director

Staff Attorney, ABCD Issues: Thomas Griffin
Of Counsel: Kit Pardee
Legal Assistant: Rita Winkel

ABCD

Staff Attorney, ABCD Issues: Thomas Griffin
Of Counsel: Kit Pardee
Legal Assistant: Rita Winkel

ASB

ASB Program Manager: Caren Clark
Standards Editor: Erica Kennedy
Editorial/Administrative Assistant: Doreen Evans

Public Policy

Todd Tuten, Director

Senior Health Fellow: Cori Uccello
Senior Pension Fellow: Ron Gebhardtshauer
Senior Policy Analyst, Casualty: Greg Vass
Financial Reporting Policy Analyst: Meredith Detweiler
Health Policy Analyst (Federal): Holly Kwiatkowski
Health Policy Analyst (State): Joanna Ossinger
Life Policy Analyst: Steve English
Pension Policy Analyst: Bridget Flynn
Administrative/Legislative Manager: Kasha Shelton
Legislative Assistant: Heather Jerbi
Administrative Assistant: Phillip Hafler
Administrative Assistant: Alicia Ross

Academy website: www.actuary.org
Staff e-mail addresses: [last name]@actuary.org
Telephone 202 223 8196 Facsimile 202 872 1948

Membership Administration
Susan C. Steinbach, Membership Manager
475 N. Martingale Road, Suite 800, Schaumburg, IL 60173
Telephone 847 706 3513 Facsimile 847 273 8513
C. Academy Councils and Committees

The Academy is the voice of U.S. actuaries on public policy and professionalism issues. It represents the U.S. profession both domestically and internationally.

The Academy provides reliable, independent actuarial expertise on public policy issues to Congress, state legislatures, other policy-makers, regulators, and the public. The Academy also develops and maintains standards of qualification to practice as an actuary.

In addition, the activities of the Actuarial Standards Board (ASB), the Actuarial Board for Counseling and Discipline (ABCD), and the Joint Committee on the Code of Professional Conduct are coordinated through the Academy's Council on Professionalism. The ASB and ABCD are independent organizations, but they receive administrative support from the Academy.

The Academy’s work is governed by three primary groups: The Board of Directors, the Executive Committee, and the President’s Advisory Committee.

Academy committees and task forces are appointed annually, the period running from the close of one annual meeting to the opening of the next.

Board of Directors

Daniel J. McCarthy, President
Robert A. Anker, President-Elect
Peter L. Perkins, Secretary-Treasurer
Robert J. Rietz, Vice President, Professionalism
Steven G. Lehmann, Vice President, Casualty
John P. Parks, Vice President, Pension
Stephen J. Preston, Vice President, Life
Geoffrey C. Sandler, Vice President, Health
Patricia A. Teufel, Vice President, Financial Reporting
Lawrence A. Johansen, Immediate Past President
Stephen R. Kern, Past President

Ralph S. Blanchard          Kenneth A. Kent
Cecil D. Bykerk              W. James MacGinnitie
Janet M. Carstens            Robert S. Miccolis
Donna R. Claire              Scott Miller
Robert F. Conger             Harry H. Panjer
William J. Falk              William A. Reimert
Alan D. Ford                 Gail M. Ross
Larry M. Gorski              Stanley L. Samples
Craig Hoffman                Bruce D. Schobel
COMMITTEES OF THE BOARD

Executive Committee
Between meetings of the Board of Directors, this committee oversees the operations of the Academy and particularly its councils. This committee has the same powers as the board except for those listed in Article IV of the bylaws. The Executive Committee develops Academy policy subject to board approval and makes recommendations to the board regarding budget, policy, and other important issues.

Daniel J. McCarthy  
President

John P. Parks  
Vice President, Pension

Robert A. Anker  
President-Elect

Stephen J. Preston  
Vice President, Life

Peter L. Perkins  
Secretary-Treasurer

Geoffrey C. Sandler  
Vice President, Health

Robert J. Rietz  
Vice President, Professionalism

Patricia A. Teufel  
Vice President, Financial Reporting

Steven G. Lehmann  
Vice President, Casualty

Lawrence A. Johansen  
Immediate Past President

Staff Liaison: Richard C. Lawson

PRESIDENTIAL COMMITTEES

President’s Advisory Committee
This committee oversees Academy management and prepares recommendations for the Executive Committee on policy issues.

Daniel J. McCarthy, Chairperson

Lawrence A. Johansen  Robert A. Anker

Staff Liaison: Richard C. Lawson

Committee on Strategic Planning
This committee is responsible for monitoring the implementation of and suggesting revisions to the strategic plan. This involves working with the Academy staff, various committees, and the Board of Directors in administering an annual planning cycle. This committee is also responsible for identifying new strategic issues for consideration by the Board of Directors and for participating appropriately in professionwide long-term planning.

Robert A. Anker, Chairperson

Lawrence A. Johansen  Peter L. Perkins

Daniel J. McCarthy  Gail M. Ross

Scott Miller  Stanley L. Samples

Donna C. Novak  Patricia A. Teufel

Harry H. Panjer

Staff Liaison: Richard C. Lawson
Nominating Committee
This committee nominates a slate of candidates for the Board of Directors for presentation
at the annual meeting and nominates a slate of candidates for Academy officers for presen-
tation to the Board of Directors.

Stephen R. Kern, Chairperson
Lawrence A. Johansen, Vice Chairperson
Robert A. Anker
Daniel J. McCarthy
Scott Miller
Harry H. Panjer
Gail M. Ross
Stanley L. Samples

Staff Liaison: Richard C. Lawson

Litigation Review Committee
This committee provides broad-based oversight of briefs the Academy submits as amicus
curiae to ensure that the subject matter is appropriate for Academy comment, that state-
ments contained therein do not contradict Academy positions, and that the briefs have
been prepared in accordance with Academy guidelines. It authorizes submission of the
briefs to the appropriate courts.

Daniel J. McCarthy, Chairperson
Robert J. Rietz
Steven G. Lehmann
John P. Parks
Stephen J. Preston
Geoffrey C. Sandler
Patricia A. Teufel

Staff Liaison: Lauren M. Bloom

LIAISON APPOINTMENTS

Education Policy Committee of the Casualty Actuarial Society
Vacant

Actuarial Foundation
Stephen R. Kern

JOINT/INTERNATIONAL COMMITTEES

Council of Presidents
The Council of Presidents provides a business and social forum to promote coordination,
cooperation, and trust among the leadership of the organizations representing actuaries in
Canada, Mexico, and the United States.

Robert A. Anker, Academy
Mario Jesus Beltran Aragon, AMA
Rafael Trava Bolio, CONAC
Jose de Caso, AMAC
Robert F. Conger, CAS
Craig P. Hoffman, ASPA
Kenneth A. Kent, CCA
W. James MacGinnitie, SOA

Jean-Louis Masse, CIA
Daniel J. McCarthy, Academy
Scott Miller, ASPA
Harry H. Panjer, SOA
A. David Pelletier, CIA
Gail M. Ross, CAS
Stanley C. Samples, CCA

Staff Liaisons: Richard C. Lawson, Lauren M. Bloom
**Council of Presidents-Elect**
The Council of Presidents-Elect of the United States and Canadian organizations and a comparable representative from Mexico complements the mission of the Council of Presidents and focuses on the development of working relationships and mutual trust.

Stuart F. Wason, Facilitator

Robert A. Anker, Academy
Jose de Caso, AMAC
Scott Miller, ASPA
Harry H. Panjer, SOA

Staff Liaisons: Richard C. Lawson, Lauren M. Bloom

**International Actuarial Association**
Academy representatives to the International Actuarial Association (IAA) Council and its committees:

**IAA Council**
Delegate: Daniel J. McCarthy
Alternative Delegate: Robert A. Anker

**IAA Committees**
Accreditation: Lawrence A. Johansen
Advice and Assistance: W. James MacGinnitie
China: Bruce Moore
Education: Daniel J. McCarthy
IASC Employee Benefits: Dennis Polisner
IASC Insurance: Bruce Moore
Insurance Regulation: David K. Sandberg
Professionalism: Lawrence A. Johansen
Social Security: Bruce D. Schobel
Supranational Relations: Howard Bolnick

**SECRETARY-TREASURER COMMITTEES**

Peter L. Perkins, Secretary-Treasurer

**Budget and Finance Committee**
This committee prepares financial projections and the annual budget, and recommends the dues structure to the Board of Directors. It also develops and maintains the investment policy for Academy funds, such policy to be implemented by the Secretary-Treasurer.

Peter L. Perkins, Chairperson
Cecil D. Bykerk
Larry M. Gorski
James F. Reiskytl

Staff Liaison: Joanne B. Anderson
Communications Review Committee
This Academy Committee is charged with reviewing all Academy communications programs. It provides broad oversight of all Academy external communications and publications intended for Academy members and other audiences. The committee assesses the timeliness and effectiveness of Academy communications. It reviews Academy-only communications efforts and communications programs conducted jointly with other organizations representing actuaries. Its focus is on policies governing the use of communication tools and the roles of staff and volunteers, rather than on the technical content of communications.

Rade T. Musulin, Chairperson
Michael M. Braunstein
Leon R. Gottlieb
Edwin C. Hustead
James J. Murphy

Robert M. Musen
John P. Parks
Julia T. Philips

Staff Liaison: Noel Card

Contingencies
The editorial advisory board provides policy guidance, technical review, and oversight to staff editors in the production of Contingencies, the magazine of the actuarial profession.

Julia T. Philips, Chairperson
Dwight K. Bartlett III
James C. Hickman
Frederick W. Kilbourne

Richard S. Robertson
Bruce D. Schobel
Susan E. Witcraft

Editor: Steve Sullivan

Actuarial Update
The editorial advisory board for the Actuarial Update provides policy guidance, technical review, and oversight for the monthly Academy newsletter, which focuses on major professional issues, public policy developments, and Academy activities.

Associate Editors
Michael Braunstein
William Carroll
Ronald Gebhardtsbauer

Rade T. Musulin
Peter L. Perkins
Adam R. Reese

Editor: Linda Mallon

Enrolled Actuaries Report
The editor of the Enrolled Actuaries Report provides policy guidance, technical review, and editorial content for the Enrolled Actuaries Report, the quarterly Academy newsletter that examines pension issues and Academy initiatives that are important to enrolled actuaries. The contributing editors of the Enrolled Actuaries Report provide editorial content for the newsletter.

John P. Parks, Editor

Contributing Editors
Judy Feldman Anderson
Andrew D. Eisner
Bruce C. Gaffney
Ron Gebhardtsbauer

James A. Kenney
Adrien R. LaBombarde
Diane M. Storm

Staff Liaison: Linda Mallon
Committee on Membership
This committee is responsible for ongoing relations with existing and prospective Academy members. It periodically reviews Academy membership and dues policies and recommends changes to the Board of Directors and Executive Committee. In fulfilling its charges, the committee is to ensure that member affiliations and new-member recruitment activities are included as a vital part of the Academy communications plan.

Alan D. Ford, Chairperson
Regina M. Berens John J. Schubert
Joseph L. Petrelli Larry D. Zimpleman
Staff Liaisons: Angela L. Heim, Susan C. Steinbach

Committee on Technology
The Technology Committee monitors and evaluates current and emerging technology to determine whether and how specific technologies can be used to communicate various Academy messages to members and nonmembers, and to increase the Academy’s effectiveness. In addition, the committee uses information from the Academy archives and other sources to provide a complete database of actuarial and related resources for members to make the Academy a preeminent source of information on public policy affecting its constituencies. The committee also researches and recommends future technological innovations for the Academy and, as appropriate, coordinates with the Communications Review Committee as well as other North American actuarial organizations on matters related to technology.

Robert M. Musen, Chairperson
Patrick Lusk John P. Parks
Rade T. Musulin Brian S. Pollack
Staff Liaison: Mark Paster

Personnel and Compensation Committee
This committee of the Board of Directors provides broad-based policy oversight of the Academy’s personnel function, including both direct and indirect compensation. This committee develops, monitors and maintains the Academy’s policies concerning compensation and personnel with input from the President’s Advisory Committee and executive staff. The Personnel and Compensation Committee has the responsibility to ensure that the Academy’s personnel policies and programs comply with all applicable laws and regulations. The Personnel and Compensation Committee reports to the Board at least annually.

Peter L. Perkins, Chairperson
Lawrence A. Johansen Geoffrey C. Sandler
John P. Parks
Staff Liaisons: Joanne B. Anderson, Gail S. Ingram
Casualty Practice Council*
Steven G. Lehmman, Vice President
John M. Purple, Vice Chairperson

P/C Risk-Based Capital Committee
Stuart B. Suchoff, Chairperson

P/C Financial Soundness/Risk Management Committee
Charles C. Emma, Chairperson

P/C Products, Pricing, and Market Committee
John M. Purple, Chairperson

Workers' Compensation Subcommittee
Nancy R. Treitel, Chairperson

Automobile Insurance Subcommittee
Patrick J. Crowe, Chairperson

Medical Malpractice Subcommittee
James D. Hurley, Chairperson

Committee on Property and Liability Financial Reporting
Andrea M. Sweeney, Chairperson

P/C Extreme Events Committee
John J. Kollar, Chairperson

Mass Torts Subcommittee
Jennifer L. Biggs, Chairperson

Joint Casualty Loss Reserve Seminar Planning Committee
Aaron Halpert, Chairperson

P/C Federal Charters Task Force
Charles A. Bryan, Chairperson

P/C Risk-Based Capital Committee
This committee works primarily with the National Association of Insurance Commissioners. At the request of the NAIC, the committee analyzes issues of concern to the NAIC's Risk-Based Capital Working Group and Task Force and provides recommendations on ways to clarify and improve the risk-based capital formulas.

Stuart B. Suchoff, Chairperson
Dean R. Anderson
Athula Alwis
Kay A. Cleary
James D. Hurley
Gerald S. Kirschner

Staff Liaison: Greg Vass

P/C Financial Soundness/Risk Management Committee
The committee will proactively provide actuarial support, advice, and communications on topics that involve the soundness and risk management of property and liability insurance. This includes seeking out additional audiences and topics that should be addressed by this committee so that it can coordinate and respond to issues at a state, federal, and international level. The committee will actively interface with the NAIC and the Financial Reporting Council's Solvency and Risk Management Task Force. The committee will also communicate and provide information to the membership of the Academy regarding these issues.

Charles C. Emma, Chairperson

Staff Liaison: Greg Vass
P/C Products, Pricing, and Market Committee
This committee is involved with proactively seeking to provide actuarial support, advice, and communications on issues related to property and liability products. This will focus on product features and their design, and may coordinate issues that are financial and solvency based. The committee will communicate and provide information to the Academy membership or respond to regulatory requests on such product areas. The committee will engage in the development of public policy at the state, federal, and international level.

John M. Purple, Chairperson
Staff Liaison: Greg Vass

Workers' Compensation Subcommittee
Nancy R. Treitel, Chairperson
Richard Hofmann, Vice Chairperson
Michele P. Bernal
Ann M. Conway
Thomas J. DeFalco
John Herzfeld
Michael R. Lamb
Ramona C. Lee
Barry I. Llewellyn
David F. Mohrman
Pam Sealand Reale
Ezra J. Robison
Timothy L. Wisecarver

Automobile Insurance Subcommittee
Patrick J. Crowe, Chairperson
Jonathan E. Blake
Robert J. Curry
David R. Chernick
Staff Liaison: Greg Vass

Medical Malpractice Subcommittee
James D. Hurley, Chairperson
William R. Burns
Linda A. Dembiec
Judith E. Dukatz
William F. Murphy
Edward M. Wrobel

Staff Liaison: Greg Vass
Committee on Property and Liability Financial Reporting
This committee monitors activities regarding financial reporting related to property and liability risks, reviews proposals made by various organizations affecting the actuarial aspects of financial reporting and auditing issues related to property and liability risks, and evaluates property and liability insurance and self-insurance accounting issues.

Andrea M. Sweeney, Chairperson
Robert H. Wainscott, Vice Chairperson
Nancy P. Watkins, Vice Chairperson
Scott C. Anderson  Sheldon Rosenberg
Joseph A. Herbers  Tom E. Schadler
Gerald S. Kirschner  Richard D. Schug
Mary D. Miller  Jeffrey A. Van Kley
Jay B. Morrow  James C. Votta
Marc R. Oberholtzer  Scott P. Weinstein
David S. Powell  Theodore J. Zubulake

Staff Liaison: Greg Vass

P/C Extreme Events Committee
This committee has been charged with identifying possible extreme events (low frequency-high severity events that could generate extremely large property/casualty losses). Furthermore, the committee will identify issues relevant to the treatment of such risks including sizing, insurability, pricing, funding, reserving, capital management, and loss mitigation. Included in the committee's charge will be monitoring of federal and state catastrophe legislation and interaction with the NAIC on these issues.

John J. Kollar, Chairperson
Staff Liaison: Greg Vass

Mass Torts Subcommittee
Jennifer L. Biggs, Chairperson
Staff Liaison: Greg Vass

Joint Casualty Loss Reserve Seminar Planning Committee
This committee develops the program for the Casualty Loss Reserve Seminar, cosponsored by the Academy, the Casualty Actuarial Society, and the Conference of Consulting Actuaries.

Aaron Halpert, Chairperson
Scott K. Charbonneau  Susan R. Pino
Douglas J. Collins  Thomas E. Schadler
Nathan Terry Godbold  Mark J. Sobel
Alexander Krutov  Chet Szczepanski
Matt Kunish  Scott P. Weinstein
Richard J. Marcks  Debra L. Werland

Staff Liaison: Greg Vass
P/C Federal Charters Task Force
This task force is charged with developing responses to actual and potential legislation creating Federal Charters with respect to Property and Casualty Insurance and assisting the Financial Reporting Council's Banking and Financial Services Task Force in responding to such legislation.

Charles A. Bryan, Chairperson
Robert A. Anker  James E. Rech
Rade T. Musulin  Mavis A. Walters

Staff Liaison: Greg Vass
Financial Reporting Council
Patricia A. Tentsel, Vice President
Burton D. Jay, Vice Chairperson

Banking and Financial Services Task Force
Timothy J. Tongson, Chairperson

Federal Charters Work Group
Timothy J. Tongson, Chairperson

Basel Work Group
TBA, Chairperson

Joint Financial Reporting Task Force
Andrea Sweeney, Chairperson

International Task Force
David K. Sandberg, Chairperson

Accounting Policies and Procedures Task Force
Burton D. Jay, Chairperson

Solvency and Risk Management Task Force
James F. Reiskytl, Chairperson
Banking and Financial Services Task Force

This task force coordinates responses to legislative and regulatory initiatives in the banking and financial services area and develops relationships with financial services regulators. The task force also serves as a liaison to public policy makers; the legal, business and financial communities; insurance industry representatives; and other organizations with an interest in banking and financial issues.

Timothy J. Tongson, Chairperson
James E. Rech, Vice Chairperson
Richard K. Bratten
Willis B. Howard, Jr.
Roosevelt C. Mosely

Staff Liaison: Meredith C.W. Detweiler

Federal Charters Work Group

Timothy J. Tongson, Chairperson
James E. Rech, Chairperson
Robert A. Anker
Kermitt L. Cox
Andrew M. Erman
Daniel J. Kunesh
Rade T. Musulin

Staff Liaison: Meredith C.W. Detweiler

Basel Work Group

Chairperson, membership, and exact charge to be determined.
Joint Financial Reporting Task Force
This task force is responsible for building relationships with financial reporting regulatory and professional entities including the Financial Accounting Standards Board (FASB), American Institute of Certified Public Accountants (AICPA) and the National Association of Insurance Commissioners (NAIC). It helps coordinate activities of the Committee on Life Insurance Financial Reporting, the Committee on Property and Liability Financial Reporting, health financial reporting and pension financial reporting.

Andrea M. Sweeney, Chairperson
William C. Weller, Vice Chairperson
Burton D. Jay
Michael Hughes
Darrell D. Knapp
Robert H. Wainscott
Nancy Watkins

Staff Liaison: Meredith C.W. Detweiler

International Task Force
This task force monitors the activities of international regulatory and professional organizations such as the International Actuarial Association (IAA), International Accounting Standards Committee (IASC) and the European Union. It also helps coordinate the efforts of the Academy's representatives to international organizations and ensures that the Academy responds in an appropriate and timely manner to financial reporting issues from the IAA, IASC and other international bodies.

David K. Sandberg, Chairperson
Daniel J. Kunesh, Vice Chairperson
Ralph S. Blanchard
Sam Gutterman
Cynthia S. Miller
Bruce D. Moore
Donna C. Novak
Godfrey Perrott
Richard S. Robertson
Patricia A. Teufel

Staff Liaison: Meredith C.W. Detweiler

Accounting Policies and Procedures Task Force
This task force helps develop actuarial knowledge on accounting and financial statement issues. It coordinates responses to accounting issues that arise at the NAIC, IAA, FASB, etc. The task force also takes a proactive look at what the Academy should be considering in the area of accounting policy.

Burton D. Jay, Chairperson
Ralph S. Blanchard, Vice Chairperson
James E. Backus
Robert A. Brown
Alan D. Ford
Sam Gutterman
Michael J. Hambro
William C. Hines
Darrell D. Knapp
Daniel J. Kunesh
Alastair G. Longley-Cook
Michael G. McCarter
Donna C. Novak
Joy A. Pillard
Richard J. Roth, Jr.
David K. Sandberg
Stephen J. Strommen
Andrea M. Sweeney
Patricia A. Teufel
William C. Weller

Staff Liaison: Meredith C.W. Detweiler
**Solvency and Risk Management Task Force**

This task force helps develop actuarial knowledge on how financial services companies monitor and manage risk. Included in this topic are risk-based capital (RBC) issues, dynamic financial analysis (DFA), unified valuation system (UVS) and liquidity. The task force also takes a proactive look at what the profession and the Academy should be considering in the area of risk-management.

James F. Reiskytl, **Chairperson**

Maryellen J. Coggins, **Vice Chairperson**

<table>
<thead>
<tr>
<th>Name</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ralph S. Blanchard</td>
<td>Albert A. Riggieri</td>
</tr>
<tr>
<td>Michael W. Boerner</td>
<td>Richard J. Roth, Jr.</td>
</tr>
<tr>
<td>Robert A. Brown</td>
<td>David K. Sandberg</td>
</tr>
<tr>
<td>Alan D. Ford</td>
<td>John W.C. Stark</td>
</tr>
<tr>
<td>Luke N. Girard</td>
<td>Andrea M. Sweeny</td>
</tr>
<tr>
<td>Larry M. Gorski</td>
<td>Brian C. Trust</td>
</tr>
<tr>
<td>Burton D. Jay</td>
<td>William C. Weller</td>
</tr>
<tr>
<td>Alastair G. Longley-Cook</td>
<td>Herbert S. Wolf</td>
</tr>
<tr>
<td>Michael G. McCarter</td>
<td>Michael L. Zurcher</td>
</tr>
<tr>
<td>Donna C. Novak</td>
<td></td>
</tr>
</tbody>
</table>

*Staff Liaison: Meredith C.W. Detweiler*
Health Practice Council
Geoffrey C. Sandler, Vice President
Janet M. Carstens, Vice Chairperson

Committee on Federal Health Issues
John J. Schubert, Chairperson

Committee on State Health Issues
Burton D. Jay, Chairperson

Long-Term Care Work Group
P.J. Eric Stallard, Chairperson

Task Force on Long-Term Care
P.J. Eric Stallard, Chairperson

Task Force on Health Risk-Based Capital
Alan D. Ford, Chairperson

Medicare Supplement Work Group
Michael S. Abroe, Chairperson

Task Force on Health Insurance Rate Filing
William F. Bluhm, Chairperson

Competitive Markets Work Group
(James E. Oatman)

Current Environment Work Group
(Thomas J. Stoiber)

High-Risk Pool Work Group
(Roderick E. Turner)

Inter-Block Subsidy Work Group
(Michael S. Abroe)

Loss Ratio Issues Work Group
(Karen Bender)

Modeling Assumptions Work Group
(Peter G. Hendee)

Pre-Funding Work Group
(Thomas F. Wildsmith)

Asset Codification Work Group
(Alan D. Ford)

Disability Income Work Group
(Dennis P. Lauzon)

HRBC Long-Term Care Work Group
(Robert K.W. Yee)

Stop-Loss Work Group
(Timothy L. Patria)

(cont.)
Health Practice Financial Reporting Committee
Darrell D. Knapp, Chairperson

Health Liquidity Work Group
Donna C. Novak, Chairperson

Medicare Steering Committee
Thomas F. Wildsmith, Chairperson

Project Management Committee
Geoffrey C. Sandler, Chairperson

Defined Contribution Health Plan Work Group
James J. Murphy, Chairperson

EEOC-ADEA and Retiree Health Work Group
John J. Schubert, Chairperson

Managed Care Reform Work Group
Alfred A. Bingham, Chairperson

Prescription Drug Coverage Work Group
Thomas S. Tomczyk, Chairperson

Uninsured/Underinsured Work Group
Karl Madrecki, Chairperson

Joint Academy/SOA Committee on Communications for Health Issues
Anthony J. Wittmann, Chairperson
The Academy established the senior health fellow program in 1998 to strengthen the public policy role of health actuaries. In coordination with the Health Practice Council, the senior health fellow provides independent actuarial expertise to health policy-makers at both the federal and state levels. The fellow develops and maintains close working relationships with members and staff of congressional committees, executive branch officials, and state insurance regulators. The senior health fellow also acts as the Academy's chief spokesperson on health policy issues to the news media and other external audiences.

Committee on Federal Health Issues
This committee furthers the actuarial profession's involvement in policy issues related to the design, cost and financing of the nation's health care. The committee monitors federal legislative and regulatory activities in the health arena and prepares congressional testimony, position papers, and other public statements on key health issues. In addition, the committee meets formally and informally with senior federal health policy-makers and their staffs.
Committee on State Health Issues

This committee furthers the actuarial profession's involvement in policy issues related to state regulation of health insurance and other health actuarial issues at the state level. The committee works primarily through interstate associations such as the National Association of Insurance Commissioners but also provides assistance directly to states when appropriate. The committee coordinates closely with the Federal Health Committee to ensure appropriate Academy involvement in health-related issues at all levels of government.

Burton D. Jay, Chairperson
Michael S. Abroe, Vice Chairperson

Rowen B. Bell
Karen Bender
C. Nick Bieter
William F. Bluhm
Vincent L. Bodnar
Lina S. Cheung
Albert D. Cole
Kermitt L. Cox
Robert B. Cumming
Alan D. Ford
David E. Kerr
Darrell D. Knapp
Karl Madrecki
Robert G. Meilander
Bartley L. Munson
Donna C. Novak
John J. Schubert
P. J. Eric Stallard
John W.C. Stark
Harry L. Sutton
Gordon R. Trappnell
William C. Weller
Robert K.W. Yee

Staff Liaison: Joanna L. Ossinger

Long-Term Care Work Group
P.J. Eric Stallard, Chairperson

Michael Abroe
William Carroll
Thomas Foley
James M. Glickman
Burton D. Jay
Bartley L. Munson
Steve P. Sperka
Bruce A. Stahl
William Weller
Robert K.W. Yee

Staff Liaison: Joanna L. Ossinger

Medicare Supplement Work Group
Michael S. Abroe, Chairperson

David J. Bahn
John Bryson
Michael V. Carstens
Susan Clark
Randall S. Edwards
Douglas L. Feekin
Patrick J. Fleming
William A. Gilmore
Janet Glassell
Patricia L. Huffman
Timothy A. Koenig
Diana K. Long
Stacey Mueller
Paul R. Ricard
John Troy
William C. Weller
Task Force on Health Insurance Rate Filing

William F. Bluhm, Chairperson
James E. Oatman, Vice Chairperson

Michael S. Abroe
Rowen B. Bell
Karen Bender
Cecil D. Bykerk
James M. Gabriel
John A. Hartnedy
Peter G. Hendee
Mark E. Litow
James E. Oatman
Victor R. Paguia
Julia T. Philips

Richard J. Ruppel
Daryl M. Schrader
David A. Shea Jr.
Darrell D. Spell
Martha M. Spenny
Thomas J. Stoiber
Ronora E. Stryker
David M. Tuomala
Roderick E. Turner
Thomas F. Wildsmith

Staff Liaison: Joanna L. Ossinger

Competitive Markets Work Group
James E. Oatman, Chairperson

Michael S. Abroe
Karen Bender

Mark E. Litow
David A. Shea Jr.

Current Environment Work Group
Thomas J. Stoiber, Chairperson

Cecil D. Bykerk
James E. Oatman

Victor R. Paguia
Richard J. Ruppel

High-Risk Pool Work Group
Roderick E. Turner, Chairperson

Cecil D. Bykerk
Peter G. Hendee
Richard J. Ruppel

Martha M. Spenny
David M. Tuomala

Inter-Block Subsidy Work Group
Michael S. Abroe, Chairperson

James M. Gabriel
John A. Hartnedy
Mark E. Litow
James E. Oatman

David A. Shea Jr.
Ronora E. Stryker
John Troy

Loss Ratios Issues Work Group
Karen Bender, Chairperson

Michael S. Abroe
Bernard Rabinowitz

David A. Shea Jr.

Modeling Assumptions Work Group
Peter G. Hendee, Chairperson

David A. Shea Jr.

Pre-Funding Work Group
Thomas F. Wildsmith, Chairperson

William F. Bluhm
Daryl M. Schrader
Task Force on Health Risk-Based Capital
This task force works primarily with the NAIC. At the request of the NAIC, the task force analyzes issues of concern to the NAIC's Health Risk-Based Capital Working Group and provides recommendations on ways to clarify and improve the risk-based capital formulas.

Alan D. Ford, Chairperson
Michael S. Abroe
C. Nick Bieter
Kevin J. Borchert
John M. Bradley
Kermitt L. Cox
Mark S. Dinsmore
Peter M. Doucette
Kevin P. Farley
Norman E. Hill
Burton D. Jay
Frederic V. Kenyon

Dennis P. Lauzon
Steven E. Lippai
Roger L. Martin
Timothy L. Patria
T. Michael Presley
Lawrence E. Scheinson
Lawrence N. Segal
Marc Slutzky
Leigh M. Wachenheim
William C. Weller
Robert K. W. Yee

Staff Liaison: Joanna L. Ossinger

Asset Codification Work Group
Alan D. Ford, Chairperson
Frank M. Amrine
Rowen B. Bell
Burton D. Jay
Darrell D. Knapp

Karl Madrecki
Cynthia S. Miller
John W.C. Stark

Disability Income Work Group
Dennis P. Lauzon, Chairperson
John M. Bradley
Kevin J. Borchert
Floyd Chadee
Kermitt L. Cox
Robert W. Darnell
Andrew S. Deitch
Kevin P. Farley
Alan D. Ford
Scott D. Haglund
Burton D. Jay
Frederic Kenyon
Darrell D. Knapp
John I. Mange

Robert G. Meilander
Donna C. Novak
Amy Pahl
James F. Reiskytl
Albert A. Riggieri Jr.
David E. Scarlett
Allen J. Schmitz
Donald J. Segal
Harry L. Sutton Jr.
Leigh M. Wachenheim
William C. Weller
Robert K.W. Yee

Staff Liaison: Joanna L. Ossinger

HRBC Long-Term Care Work Group
Robert K.W. Yee, Chairperson

Stop-Loss Work Group
Timothy L. Patria, Chairperson
Task Force on Long-Term Care
This task force addresses actuarial issues affecting long-term care plans. It monitors and comments on developments in this area at both the federal and state levels and works with regulators and policy-makers to assist in developing public policies in connection with long-term care insurance policies. In fulfilling its charge, the task force maintains liaison with the National Association of Insurance Commissioners and other appropriate entities.

P.J. Eric Stallard, Chairperson
Malcolm A. Cheung  
James M. Glickman  
Timothy D. Gustafson  
Paul Janus  
Walter T. Liptak  
Bartley L. Munson

Staff Liaison: Holly E. Kwiatkowski

Health Practice Financial Reporting Committee
This committee monitors activities regarding financial reporting related to all areas of health practice involving actuaries, reviews proposals made by various organizations affecting the accounting and auditing issues related to the health practice area, and generally is responsible for analysis and recommendations on health practice accounting issues. This would include (but not necessarily be limited to) financial reporting for all entities that accept and spread health benefit plan risk such as HMOs, insurers, providers that accept risk (e.g., via global capitation), health benefit trusts for self-funded plans, and employers providing health benefits to their employees (e.g., for FAS106).

Darrell D. Knapp, Chairperson
Judy Alessi  
Rowen B. Bell  
Rodney L. Brunk  
David B. Kaczmarek  
Cynthia S. Miller  
Donna Novak  
Jim O’Connor  
Kevin L. Pedlow

Staff Liaison: Joanna L. Ossinger

Health Liquidity Work Group
Donna C. Novak, Chairperson
Rowen B. Bell  
Eric Berzon  
Audrey L. Halvorson  
Burton D. Jay  
Peter L. Perkins

Staff Liaison: Joanna L. Ossinger
Medicare Steering Committee
This committee provides an oversight role for task forces and work groups established to address Medicare reform initiatives on behalf of the Health Practice Council.

Thomas F. Wildsmith, Chairperson
Michael S. Abroe
David V. Axene
Thomas P. Edwalds
Alan D. Ford
Dennis J. Hulet
Kent E. Levihn

Staff Liaison: Holly E. Kwiatkowski

Project Management Committee
This committee helps coordinate the work of the Health Practice Council, State Health Relationships Committee, and Federal Health Relationships Committee and works to develop new Health Practice Council projects. The committee also oversees task forces and work groups involved with managed care reform, association health plans, genetic testing, and Medicare risk adjustment mechanisms.

Geoffrey C. Sandler, Chairperson
Alan D. Ford, Vice Chairperson
Janet M. Carstens
Burton D. Jay
Darrell D. Knapp
James J. Murphy

Staff Liaisons: Holly E. Kwiatkowski, Joanna L. Ossinger

Defined Contribution Health Plan Work Group
James J. Murphy, Chairperson
Patrick L. Collins
William J. Falk
Brent Lee Greenwood
William P. (Pat) McNamara
Donna C. Novak

Staff Liaison: Holly E. Kwiatkowski

EEOC-ADEA and Retiree Health Work Group
John J. Schubert, Chairperson
Peter B. Ford
Kelly W. Grebinsky
Karl Madrecki
Jeanne A. Moore
Anna M. Rappaport

Staff Liaison: Holly E. Kwiatkowski
Managed Care Reform Work Group
Alfred A. Bingham, Chairperson
Dave Zxene
Alan D. Ford
William P. (Pat) Greenwood
James Gutterman
James D. Hurley

Donna C. Novak
Mary P. Ratelle
Geoffrey C. Sandler
Gordon Trapnell
Edward M. Wrobel Jr.

Staff Liaison: Holly E. Kwiatkowski

Prescription Drug Coverage Work Group
Thomas S. Tomczyk, Chairperson
John M. Bertko
John Bryson
Glenn E. Crouse
Randall S. Edwards
Laura Beth Lieberman
Jed L. Linfield
Robert Lynch

Susan C. Morisato
David A. Shea Jr.
Michael V. Smith
Harry L. Sutton Jr.
Gordon R. Trapnell
Margaret W. Wear

Staff Liaison: Holly E. Kwiatkowski

Uninsured/Underinsured Work Group
Karl Madrecki, Chairperson
David J. Bahn
Raymond D. Berry
Cecil D. Bykerk
John J. Dunn
Andrew L. Gennarelli
Keith A. Grassel
Anthony P. Hammond
Peter G. Hendee
John J. Lynch

Tom Mellis
Peter L. Perkins
Curtis Lee Robbins
Adam L. Rudin
Ronald L. Solomon
Harry L. Sutton Jr.
Carolyn B. Sadler
Steele R. Stewart
Bruce Vander Els

Staff Liaison: Holly E. Kwiatkowski

Joint Academy/Society of Actuaries Committee on Communications for Health Issues
This committee is charged with promoting the availability and awareness of health issues, information, and activities of the Society of Actuaries and the American Academy of Actuaries to actuaries, health policy academics, government, and the public.

Anthony J. Wittmann, Chairperson
Robert Bachler
Janet M. Carstens
Cabe W. Chadick
Kevin M. Dolsky
Gregory A. Gurlik

Mark E. McGuire
Timothy K. Robinson
Marjorie A. Rosenberg
John J. Schubert

Staff Liaisons: Holly E. Kwiatkowski, Joanna L. Ossinger
LIFE PRACTICE COUNCIL

Stephen J. Preston, Vice President
Donna R. Claire, Vice Chairperson
David K. Sandberg, Vice Chairperson

Faye Albert
Robert A. Brown
Thomas A. Campbell
Andrew M. Erman
Larry M. Gorski
Steven L. Griffith
Michael A. Hughes
Barbara J. Lautzenheiser

Alastair G. Longley-Cook
Godfrey Perrott
Craig R. Raymond
Walter S. Rugland
Henry W. Siegel
James N. Van Elsen
P. Andrew Ware

Staff Liaison: Steven English

Life Products Committee

This committee is involved with proactively seeking to provide actuarial support, advice, and communications on life and annuity products. This committee focuses on product features and their design, and may act as a coordinator with other committees on financial and solvency-based issues. The committee communicates and provides information to the membership base of the Academy when there are actuarial developments of interest to the membership body and that warrant additional communications. The committee also stands ready to respond to regulatory requests on product issues, and the group also proactively seeks areas where the Academy ought to be providing regulatory input. The committee engages in the development of public policy at the state, federal, and international levels.

Andrew M. Erman, Chairperson

Noel J. Abkemeier
Robert A. Brown
William Carroll
Donna R. Claire
Arnold A. Dicke
Frank P. Dino
Burton D. Jay
Barbara J. Lautzenheiser
Jean B. Liebmann
Alastair G. Longley-Cook
Patricia E. Matson
W. Michael Pressley
James F. Reiskytl

Staff Liaison: Steven English

CSO Implications Work Group

Andrew M. Erman, Chairperson

Mary A. Broesch
Thomas A. Campbell
Burton D. Jay
Thomas P. Kalmbach
Patricia E. Matson

James F. Reiskytl
Thomas E. Rhodes
Paul W. Skalecki
Michael S. Taht

Staff Liaison: Steven English

Innovative Products Work Group

Noel J. Abkemeier, Chairperson

Staff Liaison: Steven English
Nonforfeiture Work Group
Douglas John Bennett, Chairperson
Andrew M. Erman, Vice Chairperson
Noel J. Abkemeier
Donna R. Claire
William J. Cummings
Frank P. Dino
Douglas C. Doll
Jack Gies
Barbara J. Lautzenheiser

Staff Liaison: Steven English

Small Face Amount Work Group
W. Michael Pressley, Chairperson
Donna R. Claire
Frank P. Dino
Jack Greenberg
Burton D. Jay

Staff Liaison: Steven English

Life Financial Reporting Committee
This committee monitors and proactively seeks to provide actuarial advice, advocacy, and communication on life insurance topics that involve financial reporting matters, with an emphasis on GAAP and international issues. It also coordinates its activities, as appropriate, with the Life Valuation Subcommittee and the Financial Reporting Council.

Michael A. Hughes, Chairperson
Matthew P. Clark
William S. Cook
Errol Cramer
Michael L. Emerson
James M. Garvin
Paul S. Graham III
Vincent J. Granieri
Daniel J. Kunesh
Kenneth A. LaSorella

John W. Morris
Kevin E. Palmer
David L. Rockwell
Allan W. Ryan
Carol E. Salomone
Gregory Mark Smith
Michael Scott Smith
Roger W. Smith
John T. Zellner

Staff Liaison: Steven English
Life Financial Soundness/Risk Management Committee
This committee proactively provides actuarial support, advice, and communication on the soundness and risk management of life insurance and annuities. This includes seeking out additional audiences and topics that should be addressed by this committee so it can coordinate and respond to issues at a state, federal, and international level. The committee also communicates and provides information to the membership of the Academy regarding these issues.

David K. Sandberg, Chairperson
Robert A. Brown
Thomas A. Campbell
Donna R. Claire

Staff Liaison: Steven English

Life Capital Adequacy Subcommittee
This subcommittee analyzes issues with regard to life and annuity capital adequacy and provides recommendations on ways to clarify and improve current life risk-based capital standards. In addition, it coordinates with the Life Valuation Subcommittee to promote the development of integrated, non-formulaic approaches to valuation and capital adequacy. It is also a liaison to the Financial Reporting Council’s Joint Risk-Based Capital Task Force.

Alastair G. Longley-Cook, Chairperson
Gerald A. Anderson
Stephen M. Batza
Robert A. Brown
Jeff Brown
Martin R. Claire
Joseph L. Dunn
Larry M. Gorski
Arnold N. Greenspoon
Norman E. Hill

Staff Liaison: Steven English

C-3 Work Group
Robert A. Brown, Chairperson
Franklin C. Clapper Jr
Larry M. Gorski
Timothy E. Hill
Alastair G. Longley-Cook
James F. Reiskytl

Staff Liaison: Steven English
Life Valuation Subcommittee

This subcommittee (with support from the Life Financial Soundness/Risk Management Committee) proactively seeks to provide actuarial support, advice, and communication on life insurance topics that involve the valuation of life insurance and annuity products. The subcommittee addresses issues that involve the valuation of, and support for the valuation of, statutory and tax reserves for these products. The subcommittee also provides support to the Life Financial Reporting Committee on GAAP reserve issues.

Thomas A. Campbell, Chairperson
Noel J. Abkemeier
Robert A. Brown
William Carroll
Donna R. Claire
Arnold A. Dicke
Frank P. Dino
Burton D. Jay

Barbara J. Lautzenheiser
Jean B. Liebmann
Alastair G. Longley-Cook
Patricia E. Matson
W. Michael Pressley
James F. Reiskytl

Staff Liaison: Steven English

VAGLB Work Group

Thomas A. Campbell, Chairperson
Stephen J. Preston, Chairperson

James E. Backus
Robert A. Brown
Jan C. Brown
Donna R. Claire
Franklin C. Clapper Jr.
Robert A. Conover
Larry M. Gorski
James P. Greaton

James W. Lamson
John M. O'Sullivan
Timothy C. Pfeifer
Timothy J. Ruark
Vinaya K. Sharma
Stephen A. Steinberg
Jonathan L. Wooley

Staff Liaison: Steven English

Life Liquidity Work Group

Donna R. Claire, Chairperson
Laura Rosenthal, Vice Chairperson

Robert A. Brown
Darryl D. Button
Thomas A. Campbell
William W. Carter
Craig Fowler
Vincent P. Gallagher
Larry M. Gorski
Jacqueline D. Griffin
Kristina L. Kennedy
Robert T. Lumia
James P. McNichols
Jeffrey A. Mohrenweiser
Donald E. Sanning
Herbert S. Wolf

Staff Liaison: Steven English
Life Experience Subcommittee
Chairperson, membership, and exact charge to be determined.

CSO Task Force
Faye Albert, Chairperson

<table>
<thead>
<tr>
<th>Name</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michael W. Boerner</td>
<td>Thomas E. Rhodes</td>
</tr>
<tr>
<td>William Carroll</td>
<td>Donald E. Sanning</td>
</tr>
<tr>
<td>Norman E. Hill</td>
<td>Bruce D. Sartain</td>
</tr>
<tr>
<td>Barbara J. Lautzenheiser</td>
<td>Paul W. Skalecki</td>
</tr>
<tr>
<td>Robert G. Meilander</td>
<td>Michael S. Taht</td>
</tr>
<tr>
<td>Michael Palace</td>
<td>James Van Elsen</td>
</tr>
<tr>
<td>Mark D. Peavy</td>
<td>Robert E. Wilcox</td>
</tr>
</tbody>
</table>

Staff Liaison: Steven English
The Academy established its senior pension fellow program in 1995 to build the credibility of pension actuaries on Capitol Hill and to promote constructive debate on national retirement income policy. Through regular interaction with federal regulators and legislators and Academy volunteers, the senior pension fellow influences Washington legislators and, by extension, other governments and regulators to rely on the Academy as the objective resource for the knowledge and skills of the actuarial profession.

The senior pension fellow works with the Pension Practice Council and serves as the profession’s primary policy liaison on pension issues. He establishes and develops close relationships with the congressional tax-writing and pension staff and regulators within the executive branch.

**Committee on Pension Accounting**
This committee monitors activities and reviews proposals regarding financial reporting related to pension plans. The committee is generally responsible for analysis and recommendations on pension accounting issues.

Dennis M. Polisner, Chairperson

<table>
<thead>
<tr>
<th>Stephen A. Alpert</th>
<th>Norman S. Losk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paul W. Barker</td>
<td>Marvin J. Paull</td>
</tr>
<tr>
<td>Mark G. Beilke</td>
<td>John T. Stokesbury</td>
</tr>
<tr>
<td>David G. Dilcher</td>
<td>Joseph P. Strazemski</td>
</tr>
<tr>
<td>Kenneth L. Friedman</td>
<td>Henry N. Winslow</td>
</tr>
<tr>
<td>Benjamin I. Gottlieb</td>
<td></td>
</tr>
</tbody>
</table>

*Staff Liaison: Bridget Flynn*
Committee on Social Insurance
This committee provides and promotes actuarial reviews and analyses of U.S. social insurance systems. The committee prepares comments on pending legislation regarding federal social insurance programs and government reports on these programs.

Bruce D. Schobel, Chairperson
Eric J. Klieber, Vice Chairperson
Joseph A. Applebaum
Kenneth G. Buffin
Edward E. Burrows
Eli N. Donkar
Ron Gebhardtsbauer
Stephen C. Goss

C. David Gustafson
Robert J. Randall
Richard G. Schreitmueller
Ronald L. Solomon
P.J. Eric Stallard
Cori E. Uccello

Staff Liaison: Bridget Flynn

Pension Committee
This committee addresses actuarial issues affecting public and private pension plans, excluding financial reporting. The committee monitors federal tax, PBGC, and other ERISA-related developments. It consults with Congress and relevant regulatory agencies on the effect of regulation on employer pensions and retirement security, and comments on pending legislation and regulations.

Donald J. Segal, Chairperson
Carolyn E. Zimmerman, Vice Chairperson
Vincent Amoroso
Chester D. Andrzejewski
Richard J. Barney
Edward E. Burrows
Lawrence Deutsch
Allen Gorrelick
Dennis J. Graf
David R. Kass
Ethan E. Kra
Adrien LaBombarde

Lisa A. Larsen
Christine T. Mahoney
Brian N. O’Konski
Nadine H. Orloff
Lawrence J. Sher
Robin B. Simon
Amy S. Timmons
James F. Verlautz
Lawrence F. Wilson

Staff Liaison: Bridget Flynn
Joint Program Committee for the Enrolled Actuaries Meeting
This committee develops a program for the Enrolled Actuaries Meeting, cosponsored by the Academy, the Conference of Consulting Actuaries and the Society of Actuaries.

Amy C. Viener, Chairperson
William B. Fornia, Vice Chairperson
Robert C. Campbell  William D. Partridge
Kenneth F. Holiman  Robert H. Schramm
Sandra R. Kruszenski  Althea A. Schwartz
Tonya B. Manning  Donald J. Segal
William M. Most  Lawrence J. Sher
Nadine H. Orloff  Ronnie S. Thierman
Neil A. Parmenter  Dempsey D. White

Staff Liaison: Bridget Flynn

2002 YEARBOOK 41
## Committee on Actuarial Public Service
This committee underscores the importance of actuaries in public-sector employment and encourages support for such employment.

**Chairperson**

<table>
<thead>
<tr>
<th>C. David Gustafson</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eli N. Donkar</td>
</tr>
<tr>
<td>Thomas C. Foley</td>
</tr>
<tr>
<td>Elizabeth Hale</td>
</tr>
<tr>
<td>Nancy Kichak</td>
</tr>
<tr>
<td>R. Michael Lamb</td>
</tr>
</tbody>
</table>

**Staff Liaison**: Thomas C. Griffin

## Committee on International Issues
This committee is responsible for all liaison activities with the international actuarial community involving international professional issues, including:

a) monitoring international developments with respect to codes of conduct, qualification standards, and standards of practice;  
b) reviewing qualifications of international applicants for membership in the Academy, and recommending actions on the applications;  
c) responding to inquiries and, if appropriate, forwarding the response to an Academy committee or to one of the other U.S.-based actuarial organizations;  
d) recommending Academy appointments of U.S. actuarial representatives to all international boards and committees;  
e) responding to assignments from the Academy leadership and inquiries from other Academy committees;  
f) communicating to members of the Academy and other U.S.-based actuarial organizations;  
g) interacting with the international relations committees of other actuarial organizations in Canada, Mexico, and the United States; and  
h) presenting new initiatives to the Academy leadership.

**Chairperson**

<table>
<thead>
<tr>
<th>Curtis E. Huntington</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vincent Amoroso</td>
</tr>
<tr>
<td>LeRoy A. Boison, Jr.</td>
</tr>
<tr>
<td>Robert L. Brown</td>
</tr>
<tr>
<td>Sam Guterman</td>
</tr>
</tbody>
</table>

**Staff Liaison**: Lauren M. Bloom

---

**Council on Professionalism**

Robert J. Rietz, Vice President

| Thomas L. Bakos      |
| Robert M. Beuerlein  |
| William J. Falk      |
| David M. Flagg       |
| C. David Gustafson   |
| Curtis E. Huntington |
| William C. Koenig    |

**Staff Liaison**: Lauren M. Bloom

---

**Committee on Actuarial Public Service**

| Jeffrey L. Kucera |
| Robert B. Likins  |
| Charles L. McClenahan |
| Godfrey Perrott    |
| Allan W. Ryan      |
| Robert W. Sturgis  |
| Ronald M. Walker   |

---

**Committee on International Issues**

| Eli N. Donkar      |
| Thomas C. Foley   |
| Elizabeth Hale    |
| Nancy Kichak      |
| R. Michael Lamb   |

| Jane D. Pacelli |
| Joel B. Sitrin |
| Neta Griffin Warren |
| Joan M. Weiss |
| Richard A. Young |

---

2002 Yearbook 43
Committee on Professional Responsibility
This committee promotes knowledge of standards of conduct, qualification, and practice within the profession, and suggests ways and means for enforcement, compliance, and monitoring of the effectiveness of those standards.

Thomas L. Bakos, Chairperson
Cara M. Blank
Russell S. Fisher
Robert W. Maull
Robert E. Orean

David S. Powell
Carl Shalit
Marc I. Whinston

Staff Liaison: Lauren M. Bloom

Committee on Qualifications
This committee investigates issues arising with respect to the minimum requirements necessary to qualify members to perform publicly required actuarial functions. It recommends to the Board of Directors minimum qualification standards, including continuing education requirements for such members, and counsels members on questions relating to individual qualifications. It also develops guidelines for the administration of the Academy qualification standards, including continuing education requirements.

Charles L. McClanahan, Chairperson
James L. Lewis Jr., Vice Chairperson
Mary Frances Miller
Kathleen A. Riley
Carl Shalit

Henry W. Siegel
Frank P. Stone

Staff Liaison: Lauren M. Bloom

Joint Committee on the Code of Professional Conduct
This committee monitors the Code of Professional Conduct of the U.S.-based organizations representing actuaries and recommends necessary amendments to the Code to all of the U.S.-based organizations.

William J. Falk, Chairperson
Morris W. Chambers
Ruth F. Frew
Michael Fusco

Sam Gutterman
Luis Huerta
Kenneth A. Kent

Staff Liaison: Lauren M. Bloom
Life & Health Qualification Seminar Task Force

Timothy F. Harris, Chairperson
Robert M. Beuerlein  Peter L. Perkins
Donna R. Claire    Bernard Rabinowitz
Darrell D. Knapp   Forrest A. Richen
James L. Lewis Jr.  F. Kevin Russell
Robert B. Likins    Bruce D. Sartain

Staff Liaison: Lauren M. Bloom
Actuarial Standards Board
William C. Koenig, Chairperson

**Casualty Committee**
Robert S. Miccolis, Chairperson

- Subcommittee on Ratemaking
  Patrick B. Woods, Chairperson
- Subcommittee on Reserving
  Robert S. Miccolis, Chairperson

**General Committee**
William C. Cutlip, Chairperson

- ASOP No. 21 Task Force
  James B. Milholland, Chairperson
- Expert Witness Task Force
  Charles L. McClenahan, Chairperson
- Materiality Task Force
  David V. Axene, Chairperson

**Health Committee**
David F. Ogden, Chairperson

**Life Committee**
Godfrey Perrott, Chairperson

**Pension Committee**
William A. Reimert, Chairperson

**Task Force on Retiree Group Benefits**
Carl D. Smith, Chairperson
The Actuarial Standards Board (ASB) was established on July 1, 1988, as an independent entity managed with Academy staff support. The ASB has the authority to prescribe its own operating procedures; to establish committees, subcommittees, and task forces it may deem necessary in carrying out its assigned functions; and to appoint individuals to positions on such committees, subcommittees, and task forces. The operating committees report to the ASB and function under its direction. The ASB also has the authority to approve exposure of proposed standards and hold public hearings on them, and to adopt recommended standards of practice.

The ASB is charged with the following: (1) to direct and manage the development of actuarial standards of practice by its operating committees in all areas of actuarial practice; (2) to expose, promulgate or adopt, and publish actuarial standards of practice, within its sole discretion and pursuant to such procedures as it deems appropriate, in all areas of actuarial practice; and (3) to provide continuous review of existing standards of practice and determine whether they are in need of amendment, alteration, expansion, or elimination.
Casualty Committee of the ASB
In accordance with procedures prescribed by the ASB, this committee develops actuarial standards of practice in the property/casualty insurance area.

Robert S. Miccolis, Chairperson
Christopher S. Carlson
Kay A. Cleary
Ronald T. Kozlowski
Robert J. Lindquist
Claus S. Metzner

Robert E. Meyer
David J. Otto
Alfred O. Weller
Patrick B. Woods

Subcommittee on Ratemaking
Patrick B. Woods, Chairperson
Mark S. Allaben
Gregory L. Hayward
Marc B. Pearl

Janathan White
Paul E. Wulterkens

Subcommittee on Reserving
Robert S. Miccolis, Chairperson
Brian Z. Brown
Edward W. Ford
Bertram A. Horowitz
Elise C. Liebers
Mary Frances Miller

Raymond S. Nichols
Terrence M. O’Brien
Mark J. Sobel
Patricia A. Teufel
Steven M. Visner

General Committee of the ASB
William C. Cutlip, Chairperson
William Carroll
Janet M. Carstens

Robert A. Potter
Paul B. Zeisler

Task Force to Revise ASOP No. 21
James B. Milholland, Chairperson
Jerry D. Allen
Vincent G. Mace, Jr.

Michael G. McCarter
Robert A. Potter

Expert Witness Task Force
Charles L. McClanahan, Chairperson
Frederick W. Kilbourne
Patricia L. Scahill

Lee A. Zinzow

Materiality Task Force
David V. Axene, Chairperson
Scott C. Anderson
Janet M. Carstens
Thomas K. Custis

Robert G. Frasca
Randall M. O’Connor
Health Committee of the ASB
In accordance with procedures prescribed by the ASB, this committee develops actuarial standards of practice in the health insurance area.

David F. Ogden, Chairperson
Janet M. Carstens
Robert M. Duncan, Jr.
Paul R. Fleischacker
Alan D. Ford
John M. Friesen
Robert J. Ingram
Mary J. Murley

Life Committee of the ASB
In accordance with procedures prescribed by the ASB, this committee develops actuarial standards of practice in the life insurance area.

Godfrey Perrott, Chairperson
Charles Carroll
Robert G. Meilander
Thomas A. Phillips
Allan W. Ryan
Barry L. Shemin

Pension Committee of the ASB
In accordance with procedures prescribed by the ASB, this committee develops actuarial standards of practice in the pension area.

William A. Reimert, Chairperson
Thomas P. Adams
Arthur J. Assantes
David R. Fleiss
Bruce C. Gaffney
Lawrence A. Golden
John F. Langhans
Michael B. Preston
Phillip A. Romello
E. ACTUARIAL BOARD FOR COUNSELING AND DISCIPLINE

The Actuarial Board for Counseling and Discipline (ABCD) was formed to serve the five U.S.-based organizations representing actuaries. The ABCD considers complaints and questions concerning possible violations of the Code of Professional Conduct.

Organizations served by the ABCD include the Academy, the American Society of Pension Actuaries, the Casualty Actuarial Society, the Conference of Consulting Actuaries, and the Society of Actuaries. The ABCD also serves the Canadian Institute of Actuaries relative to practice by its members in the United States.

In addition, the ABCD responds to inquiries by actuaries concerning their professional conduct and, when requested to do so, provides guidance in professional matters.

The ABCD's members represent all main areas of actuarial practice and all U.S. organizations representing actuaries. ABCD members are appointed by a selection committee composed of the presidents and presidents-elect of the U.S. organizations.

The ABCD was established effective Jan. 1, 1992, as an independent entity administered with Academy staff support.

Upon delegation of appropriate authority from a participating actuarial organization and acceptance of that delegation by the ABCD, the ABCD is authorized:

1. to consider all complaints or information suggesting possible violations of the applicable Code(s) of Professional Conduct and all questions that may arise as to the conduct of a member of a participating actuarial organization in the member's relationship to the organization or its members, or in the member's professional practice, or affecting the interests of the actuarial profession;
2. to counsel actuaries concerning their professional activities related to the applicable Code(s) of Professional Conduct in situations where the ABCD deems counseling appropriate;
3. to recommend a disciplinary action with respect to an actuary to any participating organization of which that actuary is a member;
4. to respond to requests for guidance regarding professionalism from members of the participating organizations; and
5. to mediate issues between members of participating actuarial organizations, or between such members and the public, for the purpose of informally resolving issues concerning the professional conduct of such members.

Actuarial Board for Counseling and Discipline

Robert W. Sturgis, Chairperson
Ruth F. Frew, Vice Chairperson
Frank S. Irish, Vice Chairperson
John M. Bertko Sue Ann Collins
William J. Bugg Jr. David P. Flynn
Edward E. Burrows Howard M. Phillips
Staff Liaison: Thomas C. Griffin
A. Strategic Plan 2001-2006

This strategic plan postulates a vision for the future of both the Academy and the profession, identifies recommended strategic directions to realize the vision, and suggests strategies and their implementation to further the directions over the next several years.

This plan builds from the previous plan (Academy Strategic Plan 1998-2003). That plan recommended that each year the plan be reviewed and updated. This report is an update of that plan. Many of the objectives and action steps set forth in that plan have been accomplished or are well under way. Advances in technology, new laws and regulations, globalization, and corporate mergers have altered the environment of the Academy and conditions under which actuaries carry out their work. Accordingly, the existing plan, now three years old, is somewhat out of date.

This revised plan is the result of the work of the Committee on Strategic Planning, consisting of:

Daniel J. McCarthy, Chairperson
Howard J. Bolnick
Patrick J. Grannan
Lawrence A. Johansen
Stephen R. Kern
Donna C. Novak
James F. Reiskytl
Robert J. Rietz
George J. Taylor
Patricia A. Teufel

This updated plan is respectfully presented to the Board of Directors for its approval and adoption to guide the activities of the Academy over the next several years.

Mission

The mission of the Academy should set forth its fundamental purposes, its enduring reason for existence. It also describes the essential ongoing activities required to carry out those purposes. The Committee on Strategic Planning reaffirms the Academy's current mission statement.

As the organization representing the entire United States actuarial profession, the American Academy of Actuaries serves the public and the actuarial profession both nationally and internationally through:

a. establishing, maintaining, and enforcing high professional standards of actuarial qualification, practice, and conduct;
b. assisting in the formulation of public policy by providing independent and objective information, analysis, and education; and
c. in cooperation with other organizations representing actuaries,
   - representing and advancing the actuarial profession, and
   - increasing the public’s recognition of the actuarial profession’s value.

The mission statement says clearly that the Academy represents the U. S. actuarial profession. While the Academy is the voice of the profession in the United States, it also represents the U.S. profession internationally, where needed. The mission statement explicitly clarifies standards as including qualification, practice, and conduct. It states clearly that a major mission of the Academy is to represent and advance the profession. And it gives legitimacy to activities that enhance the recognition of the profession and the value the profession brings to society.
Strategic Directions
The following eight strategic directions represent high-priority areas for the Academy to address in order to realize its vision. Each direction calls for a change from the present state in order to strengthen the Academy and its influence. The strategic directions are the heart of the plan and are recommended as the principal areas of focus for the Academy over the next several years.

1. Increase the influence of the Academy and actuaries on the creation of public policy.

2. Increase recognition of the actuarial profession and what it does by public policy-makers, and users and prospective users of actuarial services, and expand the scope of the actuarial profession beyond traditional practice areas.

3. Increase the effectiveness of the Academy’s advocacy for the actuarial profession.

4. Strengthen and improve the disciplinary and standards processes.

5. Build awareness and support for standards and for the disciplinary process among members, news media, regulators, and policy-makers.

6. Expand the Academy’s financial resources.

7. Improve the effectiveness of the Academy’s communication process with its members.

8. Improve the organizational effectiveness of the Academy.
**B. BYLAWS**

A CORPORATION ORGANIZED UNDER THE ILLINOIS GENERAL NOT FOR PROFIT CORPORATION ACT (ADOPTED APRIL 29, 1966, AND LAST AMENDED IN 1999)

**Article I**

**Membership**

**SECTION 1. Members.** Individuals having membership in the Academy shall be called "members."

Members shall be entitled to attend meetings of the Academy, vote, hold office, serve as elected Directors, make nominations, serve on committees, and generally exercise the rights of full membership. They are authorized to designate themselves as "members" of the American Academy of Actuaries and to append to their names the initials M.A.A.A.

**SECTION 2. Admission to Membership.** Any person may apply for membership and shall become a member by meeting the requirements contained in this section.

A. **Application.** Each candidate for admission must submit a written application that shall include such additional information as the Executive Committee may request.

B. **Education.** Each candidate shall have passed or have received credit for the examinations, and/or achieved membership in a non-U.S.-based actuarial organization, as prescribed from time to time by the Board of Directors, hereinafter called the “Board.”

C. **Experience.** Each candidate must, at the date of application, have had at least three years of experience in responsible actuarial work. "Responsible actuarial work" is defined as work that has required knowledge and skill in solving practical actuarial problems in any of the following fields: life and health insurance involving individual policies, group insurance, social insurance, pensions, or property and liability insurance.

D. **Resident Aliens and Nonresidents.** A candidate who is a resident alien or a non-resident of the United States must meet such other requirements as are prescribed by the Board.

E. **Approval.** Each application shall be acted upon by the Executive Committee. A candidate’s application is approved if accepted by a majority of the whole Executive Committee. If refused for any reason, including a rejection on the basis of evidence of lack of character or professional integrity, the applicant may request review by the Board, pursuant to such procedures as may be adopted by the Board.

**Article II**

**Meetings of the Members**

There shall be an annual meeting of the members each fall at such time and place as the Board shall designate.

Special meetings may be called by the Board. Upon request of not less than five percent of the members, the President shall call a meeting of the members. At all meetings fifty members shall constitute a quorum. Notice of a meeting, specifying the place, date, and hour of the meeting, shall be given not less than 50 nor more than 40 days before each meeting.

**Article III**

**Board of Directors**

**SECTION 1. Composition.** The Board shall consist of 29 Directors, comprising the nine Officers, the two immediate Past Presidents, and 18 elected Directors.

**SECTION 2. Election and Term of Office.**

A. **Special Directors.** The Board shall designate a number of seats on the Board, not to exceed eight, to be filled by a class
of special Directors consisting of representatives of other U.S. actuarial organizations whose presence on the Board is deemed helpful to the Academy. Special Directors shall be elected by majority vote of the whole Board and shall serve for a period of two years. If a vacancy occurs among the special Directors, the vacancy may be filled for the remainder of the unexpired term by majority vote of the whole Board. The term of office of a special Director shall begin at the close of the annual meeting of the Academy in the calendar year of the election and shall continue until the close of the annual meeting at the end of the term for which the special Director was elected.

B. Regular Directors. Elected Directors who are not special Directors shall be regular Directors. Each year the members shall elect a number of regular Directors to bring the total number of elected Directors to 18. Candidates receiving the greatest number of votes shall be elected. Such regular Directors shall serve for a period of three years. A retiring regular Director, other than one who was elected to fill a vacancy, whose term as a regular Director expires shall not be eligible for re-election as a regular Director at that time. A Past President whose ex officio membership on the Board as Past President expires shall not be eligible for election as a regular Director at that time. If a vacancy occurs among the regular Directors, including a vacancy created by the election of a regular Director to an office or to the position of special Director, the vacancy may be filled for the remainder of the unexpired term by majority vote of the whole Board. The term of office of a regular Director shall begin at the close of the annual meeting of the Academy in the calendar year of the election and shall continue until the close of the annual meeting of the Board.

SECTION 3. Meetings. There shall be an annual meeting of the Board within 60 days prior to the annual meeting of the Academy. Special meetings of the Board shall be called whenever the President or at least five members of the Board so request. Meetings of the Board may be held either within or outside the state of Illinois. Notice of the meetings of the Board shall be given not less than 10 days nor more than 30 days before the meeting, except in the event of a meeting of the Board following the annual meeting of the Academy, in which event newly elected Directors shall be given notice of such meeting of the Board as promptly as possible. Such notice to newly elected Directors may be given personally, by telephone, by mail, or by facsimile transmission.

Any action required to be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members of the Board.

SECTION 4. Quorum. At meetings of the Board, a majority of the members of the Board shall constitute a quorum.

SECTION 5. Duties and Powers. The Board shall have, in addition to the powers and authority expressly conferred upon it by these Bylaws, the right, power, and authority to exercise all such powers and to do all such acts and things as may be appropriate to carry out the purposes of the Academy. Without prejudice to the general powers so conferred, the Board shall have the following specific powers:

(a) To act in accordance with the provisions of the Articles of Incorporation of the Academy and the laws of the state of Illinois.
(b) To establish the location of the offices of the Academy.

(c) To invest and administer the funds of the Academy.

(d) To arrange an annual audit of the accounts of the Secretary-Treasurer.

(e) To prescribe examinations and other requirements for admission, as provided in Article I, Section 2, of the Bylaws.

(f) To elect the Officers of the Academy.

(g) To authorize such committees as it may deem necessary for the conduct of the affairs of the Academy.

Article IV
Executive Committee
During any interim between meetings of the Board, the business of the Academy shall be conducted by an Executive Committee comprising the Officers and the immediate Past President. The Executive Committee shall have such powers as may be provided by these Bylaws or as may be delegated to it by the Board, except the specific powers enumerated (b), (d), (e), (f), and (g) in Section 5 of Article III.

Article V
Officers
SECTION 1. Officers. The Officers of the Academy, all of whom shall be members, shall consist of a President, a President-Elect, six Vice Presidents, and a Secretary-Treasurer.

SECTION 2. Election and Term of Office. At each annual meeting of the Board, the Directors present, by a vote of a majority of the whole Board, shall elect, separately and in the order named, a President-Elect, three or more Vice Presidents, and a Secretary-Treasurer.

At the annual meeting of the Board, if either (a) the President-Elect has succeeded the President and has served in that capacity for six months or more by reason of the office of President becoming vacant or (b) the office of the President-Elect is vacant, except in the case where the President-Elect has succeeded to the office of the President and has served in that capacity for less than six months, the Directors, by a vote of a majority of the whole Board, shall, prior to the election of the President-Elect, elect a President to serve from the close of the first subsequent annual meeting of the Academy until the close of the second subsequent annual meeting of the Academy.

Except as hereinafter provided, the President-Elect, having been so elected at an annual meeting of the Board, shall commence the term as President-Elect at the close of the first subsequent annual meeting of the Academy and shall automatically succeed the President at the close of the second subsequent annual meeting of the Academy, and shall serve as the President until the close of the third subsequent annual meeting of the Academy. In the event the office of President becomes vacant, the President-Elect shall automatically succeed to fill the vacancy for the unexpired term. A President-Elect who so succeeds the President and serves in that capacity for less than six months prior to the close of the first subsequent annual meeting of the Academy following succession to the Presidency shall further serve as President until the close of the second subsequent annual meeting of the Academy.

The term of Vice President shall be two years. The term of each Vice President elected at each annual meeting of the Board shall be from the close of the first subsequent annual meeting of the Academy until the close of the third subsequent annual meeting of the Academy. In the event of a vacancy in the office of Vice President, the Board may elect a replacement for the remainder of the term of that office. Said replacement may thereafter be eligible
for re-election as a Vice President at the meeting at which the term expires. A retiring Vice President is not otherwise eligible for re-election as a Vice President at the meeting at which the term expires.

Except as provided above, a retiring President shall thereafter be permanently ineligible for election for another term as President or President-Elect.

A retiring Vice President shall not be eligible for re-election as a Vice President at the meeting at which the term expires.

Each Officer shall hold office for the term elected and until a successor shall have been elected.

In the event of vacancy in the office of both the President and President-Elect, the Board shall by majority vote of the whole Board elect a member to fill the vacancy for the unexpired term of the President.

In the event a vacancy occurs among the Vice Presidents, or in the office of Secretary-Treasurer, the Board shall by majority vote of the whole Board elect a member to fill the vacancy for the unexpired term.

### Article VI

#### Duties of Officers

**SECTION 1. President.** The President shall preside at the meetings of the Board and of the Academy, shall appoint committees authorized by the Board, and may sign contracts or other instruments that the Board has authorized to be executed.

**SECTION 2. President-Elect.** The President-Elect shall have such duties as may be assigned by the President or by the Board. In the absence of the President, or in the event of the President's inability or refusal to act, the President-Elect shall perform the duties of the President's office.

**SECTION 3. Vice Presidents.** Each of the Vice Presidents shall have such duties as may be assigned by the President or by the Board.

### Article VII

#### Finances and Contracts

**SECTION 1. Dues.** Except as hereinafter provided, each member shall pay such dues for each calendar year as may be established by the Board. Such dues shall be payable as of January 1 of the calendar year. At the time when dues are payable, any member who has become totally disabled or who, having attained an age to be selected by the Board, and having retired from active work or who has attained age 70, so notifies the Secretary-Treasurer in writing shall be granted exemption from the payment of dues by the Executive Committee. In addition, any member who (a) is expected to earn no significant income for the calendar year from actuarial activities, and (b) is within a class of members eligible for dues waiver as determined by the Board shall be...
granted exemption from the payment of dues by the Executive Committee.

It shall be the duty of the Secretary-Treasurer to cause to be notified by mail any member whose dues may be six months in arrears and to accompany such notice by a copy of this Section. If dues remain unpaid, such person shall, on the date that falls three months after the date of mailing such notice, cease to be a member of the Academy for all purposes other than with respect to any penalty or other action determined under disciplinary procedures as provided in Article IX, relating to conduct prior to such date. Reinstatement as a member shall be subject to such conditions as the Board may prescribe.

SECTION 2. Publications. The Board shall determine the extent of distribution of publications of the Academy and the fees or prices to be charged any classes of recipients.

SECTION 3. Contracts. The Board may authorize any Officer or agent to enter into any contract or execute and deliver any instrument in the name or on behalf of the Academy.

SECTION 4. Checks. All checks, drafts, or other orders for a payment of money, notes, or other evidences of indebtedness shall be signed by such Officer or agent of the Academy as shall from time to time be determined by the Board.

SECTION 5. Deposits. All funds of the Academy not otherwise employed or invested shall be deposited to the credit of the Academy in such banks, trust companies, or other depositories as the Board may select.

Article VIII
Resignation of Members

Any member may at any time file a resignation in writing with the Secretary-Treasurer, and, unless it is rejected by the Executive Committee, it shall become effective as of the date it was filed. The Executive Committee may reject a resignation only if a complaint or charge is pending against the member or if a complaint or charge is filed within sixty days after the date that the member's attempted resignation is filed. A member whose resignation is rejected by the Executive Committee may appeal in writing to the Board. The Board may affirm or set aside an Executive Committee decision to reject a member's resignation by a majority vote of the members of the whole Board.

Notwithstanding the foregoing, the Board may in its discretion permit the resignation of a member against whom a complaint or charge is pending. The Board, on written application of any member who has resigned, may reinstate such member subject to such conditions as it may prescribe.

Article IX
Public Discipline

Section 1. Complaints and Referrals.
A. Complaints concerning alleged violations of the Academy's Code of Professional Conduct, and all questions that may arise as to the conduct of a member, in the member's relationship to the Academy or its members, or in the member's professional practice, or affecting the interests of the actuarial profession, constitute matters for serious consideration.

B. Such complaints and questions shall be referred to the national organization responsible for professionwide counseling and discipline in the nation where the action occurred: the Actuarial Board for Counseling and Discipline (ABCD) in the United States and the Canadian Institute of Actuaries (CIA) in Canada.

Section 2. Consideration of Public Disciplinary Action.
A. The President shall appoint a six-per-
son Disciplinary Committee from among the members of the Board to consider and act on a recommendation from the ABCD or the CIA for public discipline of an Academy member.

B. Public disciplinary action includes a public reprimand, suspension of Academy membership, or expulsion from the Academy.

C. The member who is the subject of a public disciplinary recommendation from the ABCD or the CIA shall have the right to appear personally and by counsel (at the member's expense) before the Disciplinary Committee to explain why that recommendation should not be followed.

D. The member involved shall be notified not less than forty-five days in advance as to the time, date, and place where the Disciplinary Committee will consider the matter. The notification may be made by certified mail or in such other manner as the Disciplinary Committee may direct. The time limit may be waived by mutual agreement of the parties.

E. An action of the Disciplinary Committee to publicly reprimand, suspend, or expel a member requires an affirmative vote of two-thirds of the whole membership of the Disciplinary Committee.

F. An action by the Disciplinary Committee to publicly reprimand, suspend the membership of, or expel a member is effective forty-five days after the date of the action, if the member does not appeal the action to the Board, and, in the event of such an appeal, the action is effective on the date when the appeal is decided by the Board.

Section 3. Appeals to the Board. A member against whom an order of public reprimand, suspension, or expulsion has been rendered shall, upon application to the Board within forty-five days after the action of the Disciplinary Committee, be entitled to appeal to the Board at its next regularly scheduled meeting, under the following conditions:

A. All rights and privileges of membership shall be retained during the pendency of the appeal.

B. The notice of appeal shall be in writing and shall stipulate that the appealing member consents to the mailing to the members of the Board of a transcript and all applicable evidence in a form approved by the Disciplinary Committee.

C. The member may appear personally and by counsel (at the member's expense) before the Board when it meets to hear the appeal.

D. The decision of the Disciplinary Committee may be affirmed, reduced, or set aside by a majority of the members of the whole Board. Members of the Board who serve on the Disciplinary Committee may participate and vote in deliberations of the Board.

Section 4. Reinstatement. An individual who has been expelled or suspended from the Academy may be reinstated only through an action of the Board of Directors.

Section 5. Confidentiality of Proceedings. Except as otherwise provided in these Bylaws or by waiver of the person under investigation, all proceedings under this Article shall be confidential and kept secret.
Section 6. Notifications.
A. The Board of Directors shall notify Academy members in all instances in which a member is subject to public discipline. At the same time notification is given to the members, the Board of Directors shall also give notice of the public discipline to all other actuarial organizations of which the individual is a member and to other organizations, including governmental entities, that, in the opinion of the Board, should also receive notice of the action. The Board of Directors may also give notice of public discipline to such newspapers or journals as it may select.

B. If the case arises from a written complaint, notice of the disposition of the case shall be furnished to the complainant.

C. In the case of an action by the Disciplinary Committee to publicly reprimand, suspend, or expel a member, the notification should take place forty-five days after the Committee's action, and, if the member is appealing the decision to the Board of Directors, the notification should state that the decision is being appealed. Once the Board of Directors has acted on this appeal, there should be a notification of that action.

D. In the event of subsequent reinstatement of an expelled or suspended member, the Board of Directors shall give notice of such action to all members and also to entities previously advised by the Board of the expulsion or suspension.

Article X
Actuarial Board for Counseling and Discipline
SECTION 1. Establishment and Purposes.

A. There shall be established within the Academy an entity to be known as the Actuarial Board for Counseling and Discipline (ABCD). Upon delegation of appropriate authority from a participating actuarial organization and acceptance of that delegation by the ABCD, the ABCD will be authorized:

1. To consider all complaints concerning alleged violations or information suggesting possible violations of the applicable Code(s) of Professional Conduct and all questions that may arise as to the conduct of a member of a participating actuarial organization in the member's relationship to the organization or its members, in the member’s professional practice, or affecting the interests of the actuarial profession.

2. To counsel actuaries concerning their professional activities related to the applicable Code(s) of Professional Conduct in situations where the ABCD deems counseling appropriate.

3. To recommend a disciplinary action with respect to an actuary to any participating organization of which that actuary is a member.

4. To mediate issues between members of participating actuarial organizations, or between such members and the public, for the purpose of informally resolving issues concerning the professional conduct of such members.

5. To respond to requests for guidance regarding professionalism from members of the participating organizations.

B. The ABCD is authorized to establish Rules of Procedure and operating guidelines not inconsistent with the requirements of this Article. Such Rules of
Procedure shall provide that the subject of an inquiry will be given the following:

1. Notice of the inquiry along with the factual basis for the inquiry and an opportunity to comment on the matter before the ABCD determines whether an investigation should be initiated.

2. Notice of the ABCD's decision to refer inquiry to Investigators, their names, and an opportunity to object for cause in writing to any of them.

3. The opportunity to comment on an Investigative Report before the ABCD uses the Report to vote on disposition of the inquiry.

4. Reasonable notice of a hearing to be conducted regarding the actuary's work and/or conduct, including the issues for inquiry and the date, time, and place of the hearing.

5. Within a reasonable period of time prior to a hearing, the names of any witnesses whose testimony the ABCD expects to consider and copies of case-specific documents not previously provided to the subject of the inquiry that the ABCD expects to consider.

6. Notice and a reasonable opportunity to respond to additional relevant, material case-specific documents and witnesses that the ABCD first learns of during a hearing, if the ABCD intends to consider such. The notice shall include a copy of such documents and the names and last known addresses of witnesses.

7. The right to assistance of counsel during a hearing, including the right to seek and receive advice from counsel and to have counsel articulate appropriate legal objections.

8. Prompt notification of the results of an ABCD hearing after they have been determined and formulated.

   The ABCD shall expose, for comment, proposed revisions of its Rules of Procedure to the profession or to membership organizations for publication to their members.

SECTION 2. Members and Appointments.
A. The ABCD shall consist of nine persons appointed from the membership of the participating organizations. Appointments will usually be made for three-year terms, but appointments for shorter terms may be made to assure that the terms of one-third of the members will expire each year. A member may serve no more than two consecutive terms.

B. Members of the ABCD shall be broadly representative of all areas of actuarial practice. They shall be appointed by, and serve at the pleasure of, a Selection Committee composed of the Presidents and Presidents-Elect of the participating organizations. The President of the Academy shall serve as Chairperson of the Selection Committee.

C. If a vacancy arises among the members of the ABCD, the Selection Committee shall designate a replacement to fill out the remainder of the term. The replacement will complete that term, and may be reappointed for one additional consecutive three-year term. When a full-term or replacement member has attended a hearing as an ABCD member, such member may serve beyond his or her term of appointment solely for the purpose of participating in the ABCD's disposition of that matter.
D. Where three or more members of the ABCD have an actual or apparent conflict of interest with regard to a particular matter, with the result that a quorum of the ABCD cannot practicably be convened to consider the matter, the Selection Committee may, in response to a request from the ABCD, appoint enough special members to the ABCD to form a quorum to consider that matter. The special members shall consider only the matter(s) for which appointed, and the term of each such special member shall end at the conclusion of the ABCD's consideration of such matter(s).

SECTION 3. Officers. The Officers of the ABCD shall consist of the Chairperson and two Vice Chairpersons, who shall be appointed annually from among the members of the ABCD by the Selection Committee.

SECTION 4. Meetings and Conduct of Business. The ABCD shall meet at least once each year. Meetings may be called by the Chairperson or at the request of at least three members. Six members of the ABCD shall constitute a quorum. Meetings may be conducted in person or via telephone. In the event that neither the Chairperson nor a Vice Chairperson is able to participate at a duly called meeting where a quorum is present, the members may, by a majority of those participating, select a Chairperson Pro Tem for that meeting.

SECTION 5. Procedures.

A. For any matter described in Section 1.A.1 that comes to the attention of the ABCD, the Chairperson and the two Vice Chairpersons may by majority vote agree to: (1) dismiss the matter, (2) authorize a mediator to attempt to resolve the matter, or (3) authorize a review of the matter.

B. An actuary whose activities are the subject of ABCD inquiry is referred to as a "subject actuary."

C. To review a matter, the Chairperson shall appoint a primary Investigator and may appoint additional Investigators. ABCD members shall not be Investigators.

   1. The Investigator(s) shall investigate activities which may involve violations of the applicable Code(s) of Professional Conduct. The Investigator(s) shall then prepare an Investigative Report for the ABCD which contains the results of the investigation.

   2. The Investigator(s) shall follow applicable Rules of Procedure and operating guidelines established by the ABCD, which shall not be inconsistent with the provisions of this Article.

D. The Chairperson may designate individuals with special expertise in various specialty areas to serve as Advisers to the ABCD. Investigator(s) and the ABCD may consult confidentially with such Advisers who have information or experience relevant to a matter under consideration.

E. Following receipt of the Investigative Report, the ABCD shall determine by majority vote whether to (1) dismiss the matter, (2) counsel the actuary, or (3) schedule, in accordance with the Rules of Procedure described in Section 1.B of this Article, a fact-finding hearing before the ABCD.

F. In any hearing before the ABCD:

   1. The subject actuary shall have the right to appear personally, to examine the evidence to be consid-
ered by the ABCD, to question witnesses appearing at the hearing, and to present witnesses and evidence.

2. The subject actuary may be accompanied by counsel, at no expense to the ABCD. The counsel’s role in such instance shall be defined by the Rules of Procedure adopted by the ABCD, subject to the requirements of Section 1.B.7 of this Article. The role of counsel for the ABCD shall be similarly defined.

3. The ABCD shall decide all questions of evidence at the hearing.

4. A written transcript shall be made of the proceedings and a copy made available to the subject actuary.

G. Following the conclusion of the hearing and based on the evidence (including testimony), only those ABCD members participating in the hearing shall, by affirmative vote of five or more members, determine to (1) dismiss the matter; (2) counsel the actuary; or (3) recommend discipline to the subject actuary’s membership organization(s), including the form of such discipline: private reprimand (if permitted by the membership organization’s bylaws or rules), public reprimand, suspension, or expulsion. If the ABCD believes it would be beneficial, it may also counsel an actuary for whom discipline is recommended.

If the ABCD recommends discipline, the ABCD shall prepare a written report addressed to each participating organization of which the subject actuary is a member. The report shall identify the precepts of the applicable Code(s) of Professional Conduct that the ABCD believes to have been violated, state the nature of the violations, and make a recommendation as to the form of discipline. The report shall be accompanied by a transcript of the hearing and copies of all documents considered at the hearing. A copy of the report and accompanying material shall be provided to the subject actuary.

SECTION 6. Counseling. The ABCD shall counsel a subject actuary when the ABCD determines counseling to be more appropriate than dismissal of a matter. The ABCD may also counsel a subject actuary for whom it recommends discipline. Counseling shall not be considered a disciplinary action.

SECTION 7. Staff. The ABCD will utilize the staff of the Academy for necessary legal, logistical, and technical support and may retain outside counsel for assistance, as needed.

SECTION 8. Finances.

A. The finances of the ABCD will be accounted for separately within the Academy system of accounts. The ABCD will submit a budget request to the Secretary-Treasurer, listing all planned income sources and potential expenses, in such form and in such detail as is mutually determined by the Secretary-Treasurer and the ABCD. The Board of the Academy will consider this request when adopting its annual budget and will make provision within such budget for the operating expenses of the ABCD.

B. The ABCD will have discretion with regard to the expenditure of all funds allocated to it, subject only to such accounting and audit requirements as may be mutually determined by the Secretary-Treasurer and the ABCD.

SECTION 9. Confidentiality. Except as otherwise provided in these Bylaws, all proceedings under this Article shall be kept confidential by the ABCD, its staff, investigators, and advisers. This requirement as to
confidentiality shall not preclude the ABCD from:

A. Advising complainants and subject actuaries about the progress and outcome of matters under consideration;

B. Reviewing previously closed files as they may relate, in any manner, to the consideration of a new matter before it;

C. Accepting a bona fide waiver of confidentiality from a subject actuary and disclosing information pursuant to that waiver that would otherwise be kept confidential under this section, subject to such terms and conditions as the ABCD deems necessary to protect the confidentiality rights of other parties and the integrity of the ABCD process.

SECTION 10. Communications. The ABCD shall issue an annual report that will include a description of its activities for the prior fiscal year, including commentary on the types of cases pending, resolved, and dismissed. The ABCD may also disseminate educational materials to assist actuaries in understanding the application of the Code(s) of Professional Conduct in various situations which may arise. These reports and educational materials shall not reveal any confidential information. The ABCD shall also report quarterly to the President of each participating organization concerning inquiries, issues, and counseling activities related to members of that organization.

### Article XI

#### Actuarial Standards Board

**SECTION 1. Establishment and Purposes.**

There shall be established within the Academy an entity to be known as the Actuarial Standards Board (ASB), whose purposes shall be to:

A. (i) Expose, (ii) promulgate or adopt, and (iii) publish actuarial Standards of Practice, within its sole discretion and pursuant to such procedures as it deems appropriate, in all areas of actuarial practice, subject to the specific requirements of this article.

B. Provide continuous review of existing Standards of Practice and determine whether they are in need of amendment, alteration, expansion, or elimination.

C. Direct and manage the development of actuarial Standards of Practice by its operating committees in all areas of actuarial practice.

**SECTION 2. Members and Appointments.**

A. The ASB shall consist of nine members, each of whom shall be appointed for three-year terms. No individual may serve more than two consecutive terms on the ASB. Terms of membership shall be staggered, so that one-third of the members are appointed annually.

B. Members of the ASB shall be broadly representative of all areas of actuarial practice. They shall be appointed by and serve at the pleasure of a Selection Committee composed of the Presidents and the Presidents-Elect of the organizations that participate in the ABCD, or their successor organizations. The President of the Academy shall serve as Chairperson of the Selection Committee. The Selection Committee shall annually appoint the Chairperson of the ASB. An individual appointed Chairperson may not serve more than two consecutive terms as Chairperson. If a vacancy arises among the members of the ASB, the Selection Committee shall designate a replacement. The replacement will complete that term, and may be reappointed for one additional consecutive three-year term.
SECTION 3. Meetings. The ASB shall meet at least four times annually. Additional meetings of the ASB shall be called whenever the Chairperson or at least four members of the ASB so request. At meetings of the ASB, two-thirds of the members of the ASB shall constitute a quorum. At least six affirmative votes are required for the ASB to expose, promulgate, or adopt actuarial Standards of Practice.

SECTION 4. Officers.
A. Officers of the ASB shall consist of a Chairperson and two Vice Chairpersons. The Vice Chairpersons shall be appointed annually from among the members of the ASB by the Chairperson with the consent of the ASB.

1. One Vice Chairperson shall be the presiding officer in the absence of the Chairperson and shall have such other duties as may be assigned by the Chairperson.

2. The other Vice Chairperson shall monitor the disposition and be responsible for the authorization of expenditure of all funds associated with the ASB.

B. The Chairperson of the ASB shall preside at meetings of the ASB and shall designate operating committee Chairpersons with the consent of the ASB. Members of the operating committees shall be appointed by each operating committee Chairperson with the consent of the ASB.

SECTION 5. Committees. The ASB shall establish operating committees to prepare and draft Standards of Practice for consideration by the ASB. The number and membership of such committees shall be determined by the ASB. The ASB may establish additional committees, subcommittees, or task forces as it deems appropriate to carry out administrative or advisory functions in support of its operations.

SECTION 6. Finance.
A. Financial activities pertaining to the ASB will be accounted for separately within the Academy system of accounts. The ASB will submit a budget request to the Secretary-Treasurer, listing all planned income sources and potential expenses, in such form and in such detail as are mutually determined by the Secretary-Treasurer and the ASB. The Academy Board will consider this request when adopting the Academy annual budget and will make provision within such budget for ASB operating expenses.

B. The ASB will have discretion with regard to the expenditure of all funds allocated to it, subject only to such accounting and audit requirements as are mutually determined by the Secretary-Treasurer and the ASB.

SECTION 7. Staff. The ASB will utilize the staff of the Academy for all support, within the budgetary constraints of the ASB, and the Academy will make available to the ASB such staff support as may be requested. Costs for such staff support, including overhead expenses ascertained pursuant to a formula mutually determined by the Secretary-Treasurer and the ASB, will be included in the ASB budget.

SECTION 8. Communications with the Actuarial Profession. The ASB shall issue an annual report that will include a description of its activities for the prior fiscal year, including commentary on its standards activities, administrative matters, and finances. The ASB shall cooperate with duly constituted actuarial authorities charged with enforcing standards of professional practice, and respond to inquiries regarding actions of the ASB, including the interpretation of standards promulgated or adopted by the ASB.
Notice
The requirement that notice be given to members or other persons shall be satisfied when a letter has been deposited in a U.S. Postal Service mailbox addressed to the last known address of such person.

Indemnification
Each person who at any time shall serve or shall have served as an Officer, member of the Board, committee member, or member of any disciplinary board of the Academy (and any such person's heirs, executors, administrators, and personal representatives) shall be indemnified by the Academy against all costs and expenses (including but not limited to legal fees, amounts of judgments paid, and amounts paid in settlement) reasonably incurred in connection with the defense of any claim, action, suit, or proceeding, whether civil, criminal, administrative, or other, in which one or more of them may be involved by virtue of such person being or having been an Officer, member of the Board, committee member, or member of any disciplinary board of the Academy, or in connection with any appeal therein; provided, however, that in the event of a settlement the indemnification herein provided shall apply only when the Board approves such settlement; and provided further that such indemnity shall not be operative with respect to any matter as to which such person shall have been finally adjudged liable in such claim, action, suit, or proceeding on account of willful misconduct.

The rights accruing to any person under this Article shall be without prejudice to any rights or benefits given by the Board inconsistent therewith in special cases and shall not exclude any other rights or benefits to which the individual may be lawfully entitled.

Use of Financial Resources: Dissolution
The funds of the Academy shall be devoted exclusively to the purposes stated in paragraph 5 of the Articles of Incorporation. No part of the net earnings of the Academy shall ever inure in whole or in part to the benefit of any member or individual. If the Academy is dissolved, all of its remaining assets shall be transferred to one or more organizations organized and operated exclusively for purposes similar to those of the Academy.

Amendments
Administrative, editorial, and technical amendments to the Bylaws that do not involve questions of policy or affect the substantive rights of the Academy’s members may be made by a vote of two-thirds of the Directors present at a duly convened meeting of the Board. Otherwise, amendments to the Bylaws may be proposed either by a vote of two-thirds of the Directors present at a duly convened meeting of the Board or by written request of not less than three percent of the members. The Board shall specify a reasonable period of time within which the proposed amendment shall be transmitted by the Secretary-Treasurer to the members by mail, and the time for votes to be mailed by the members to the Secretary-Treasurer. Such proposed amendment shall be accompanied by an appropriate discussion of the issues, and it shall become effective ten days following the end of the voting period upon the affirmative vote of two-thirds of the members voting.
This Working Agreement sets forth the cooperative goals of the American Academy of Actuaries (AAA), the American Society of Pension Actuaries (ASPA), the Asociacion Mexicana de Actuarios (AMA), the Asociacion Mexicana de Actuarios Consultores (AMAC), the Canadian Institute of Actuaries (CIA), the Casualty Actuarial Society (CAS), the Colegio Nacional de Actuarios (CONAC), the Conference of Consulting Actuaries (CCA), and the Society of Actuaries (SOA), collectively referred to as the Participating Organizations. This agreement is intended to facilitate the Participating Organizations' efforts to increase the quality and variety of educational and professional opportunities available to their members, and to eliminate the unnecessary duplication of effort and activity between the organizations, thereby making more efficient use of the Participating Organizations' resources. This agreement is not intended to restrict in any way the independent business decisions of the Participating Organizations. Nothing in this agreement should be construed as limiting the Participating Organizations' right to take whatever measures they deem necessary, appropriate, or desirable to attract, recruit, and serve their individual members.

By our signatures below, we represent that our organization, by resolution of its governing board, agrees to the above goals. Our organization agrees to cooperate under the terms of the Working Agreement and has adopted this agreement as a policy guide for its volunteers and professional staff members.

The Council of Presidents

(1) The President and the President-Elect of each United States and Canadian domiciled Participating Organization and the Designees of the Mexican domiciled Participating Organizations shall form the Council of Presidents (COP). Mexican representation shall be conducted through Designees selected by AMA, AMAC, and CONAC from among the President, Past President, and President-Elect of each organization.

Each President or Designee is responsible for implementing the Working Agreement during his or her term of office. Each President or Designee shall assure that the goals and terms of this Working Agreement are appropriately communicated to members of the board and to officers and staff of his or her organization. Each President shall further support the President-Elect of that organization in the development of the evolution of the Working Agreement.

The following mission statement articulates the COP's purpose and objectives:

The COP provides a business and social forum to promote coordination, cooperation, and trust among the leadership of the organizations representing actuaries in Canada, Mexico, and the United States. In this spirit, the COP shall:

- Exchange/share information on significant current activities;
- Discuss profession-wide issues (not necessarily involving all member organizations) and, wherever possible, develop an action plan for addressing those issues, such as:
  - Seek to develop a coordinated vision of the future direction of
the actuarial profession in North America;

- Consider international issues from a North American perspective and, if appropriate, establish joint positions and strategies for pursuing those positions; and

- Serve as a forum to encourage the resolution of conflicts between two or more of the member organizations; and

- Identify and promote forums, activities, contacts, or events that can broaden organizational communications among other leaders and members of the profession.

The Council of Presidents-Elect

(2) The members of the COP serving their respective organizations in the capacity of Presidents-Elect each year shall form the Council of Presidents-Elect (COPE). The COPE reviews the Working Agreement and other areas of mutual interest, and recommends appropriate amendments to their respective governing boards. In addition to keeping this Working Agreement current and optimizing the relationships among the Participating Organizations in the future, the very existence of the COPE promotes and reinforces the purpose of the Working Agreement.

The COPE shall be chaired by an actuary appointed each year by the incoming Presidents (the prior year’s COPE). This chairperson shall act as a facilitator and should be someone with a knowledge of current and emerging issues.

The following mission statement articulates the COPE’s purpose and objectives:

The COPE complements the mission of the COP and focuses on the development of working relationships and mutual trust. In support of and in the spirit of this goal, the members of the COPE shall:

- Exchange/share information on significant future directions and activities;

- Discuss in depth and maintain the organizational sensitivities list;

- Review the Working Agreement and, if appropriate, recommend revisions to the COP; and

- Work together to address key issues of their choice or as delegated to them by the COP and, if appropriate, develop action plans.

Communications Among the Participating Organizations

(3) Each Participating Organization shall share items of mutual interest distributed to the organization’s board members with the President, President-Elect, Designees, and professional staff of the other organizations as soon as feasible after the items are available (electronically through the Council of Presidents list server if appropriate). This includes the organization’s yearbook, newsletter, calendar of planned events, and board minutes, in addition to other important documents or significant studies that would be of value to the wider audience. This does not apply to any item that an organization considers to be confidential.

(4) Each Participating Organization shall endeavor to inform each of the other Participating Organizations on a timely basis of any of its actions that are expected to have a significant effect on one or more of the other Participating Organizations or their members.

(5) Each Participating Organization shall invite the President, President-Elect, or Designee of the other organizations to all general membership meetings, with the
(6) Each Participating Organization shall invite the ranking professional staff person (or his or her designate) of each of the other organizations to all general membership meetings, with the registration fee waived.

(7) Each Participating Organization shall endeavor to encourage the actuarial profession to speak with one voice in each country on actuarial issues in the public policy arena.

- The Participating Organizations recognize: the AAA, jointly with ASPA in the pension area, in the United States, the CIA in Canada, and CONAC in Mexico as the organizations having primary responsibility for public interface regarding public policy representation and its coordination when dealing with legislators, regulators, courts, public policy-makers, the business press, and the general public. The AAA and ASPA shall seek mutually supportive roles regarding relevant issues in the public policy pension area in the United States. They agree to coordinate on issues affecting actuaries in both organizations and to seek opportunities to cooperate.

- CONAC will seek mutually supportive roles with AMA in the insurance area and with AMAC in the pension area in Mexico.

- The Participating Organizations should coordinate efforts and cooperate in the development of materials used to educate the general public on actuarial matters including public policy issues.

(8) Each Participating Organization shall promote and enhance among its members the public interface functions as valuable and necessary activities to which all actuaries should contribute, using the national public policy interface bodies.

<table>
<thead>
<tr>
<th>Liaison with Non-Actuarial Organizations</th>
</tr>
</thead>
</table>

(9) The Participating Organizations recognize: the AAA, jointly with ASPA in the pension area, in the United States; the CIA in Canada; and CONAC in Mexico as the organizations having the primary responsibility to designate representatives of the profession to each non-actuarial organization whose primary emphasis is on public policy. (They also recognize that the AAA, jointly with ASPA in the pension area, as the organization in the United States having primary responsibility for public policy interface with legislators, regulators, courts, public policy-makers, the business press, and the general public, may find it necessary from time to time to designate representatives of the profession to non-actuarial organizations whose primary emphasis is on education and research.) The Participating Organizations also recognize that the CAS and SOA in the United States, the CIA in Canada, and CONAC in Mexico have the primary responsibility to designate representatives of the profession to non-actuarial organizations whose primary emphasis is on education and research. In those situations where one of the other organizations desires to designate representatives, it should coordinate with the organization designated in this Agreement as appropriate.

<table>
<thead>
<tr>
<th>Actuarial Research</th>
</tr>
</thead>
</table>

(10) The SOA and CAS, as learned bodies, have a responsibility for conducting scientific research on behalf of and in advancement of the actuarial profession. The AAA,
CIA, and CONAC, as national bodies, have a responsibility for identifying and securing needed research relative to public policy issues unique to their respective nations. Each of the Participating Organizations has a responsibility to provide input to the actuarial research process and may conduct research in order to ensure that the particular needs of its members and publics are met.

In addition to the Participating Organizations, there are a number of actuarial research facilitators that provide significant and valuable resources for conducting and funding actuarial research to meet needs in North America. These include the Actuarial Foundation, the Actuarial Education and Research Fund, the CAS Trust, the ASPA Pension Education and Research Foundation, and universities. The Participating Organizations recognize the importance of establishing a forum for the communication of research needs and activities among their organizations and these facilitators and to help them to set their agendas, to use limited resources effectively, and to ensure that research addressing the needs of the North American actuarial profession is conducted and communicated in a timely and effective manner.

**Actuarial Principles**

(11) There should be no conflict or inconsistency among the basic actuarial principles developed by the Participating Organizations. To facilitate that outcome, the distribution of discussion drafts of basic actuarial principles developed by an organization should provide adequate opportunity for comments by the actuaries in the other organizations. Under normal circumstances, at the organization level, the CAS and SOA shall have the responsibility to manage the development of actuarial principles.

**Professional Conduct, Counseling, and Discipline**

(12) In each nation of practice, the Participating Organizations shall endeavor to maintain a common code, rules, or set of guides to professional conduct, including reference to appropriate qualification standards and standards of practice, and a consistent set of counseling and disciplinary practices. In the United States, the AAA shall maintain a Joint Committee on the Code of Professional Conduct, with members from all of the U.S.-based organizations and liaison representatives from Canada and Mexico, to develop and recommend revisions to a common Code of Professional Conduct for members of the U.S.-based organizations.

**Actuarial Standards of Practice**

(13) Each Participating Organization recognizes the Actuarial Standards Board (ASB) in the United States, the CIA in Canada, and CONAC in Mexico as being responsible for promulgating actuarial standards of practice for actuaries practicing within their respective nation.

**Qualification Standards**

(14) The AAA, the CIA, and CONAC have the responsibility for maintaining standards for qualification to practice as an actuary that are uniform for actuaries practicing within each nation. Each Participating Organization shall take the steps necessary to encourage its membership to understand and abide by the qualification standards.

**Practice Notes**

(15) The Participating Organizations recognize the AAA in the United States, the CIA in Canada, and CONAC in Mexico as being responsible for promulgating practice notes to assist actuaries to fulfill their
responsibilities under applicable actuarial standards of practice. The AAA, the CIA, and CONAC may call upon the other organizations for assistance in preparing practice notes.

**Student Interface and Actuarial Recruiting**

(16) The AAA, ASPA, CIA, CAS, CCA, and SOA should coordinate efforts and cooperate in the development of materials used to promote the actuarial profession among students. Where appropriate, these materials should also refer to the profession’s public policy interface roles played by the AAA, ASPA, CIA, and CONAC and to the professionalism role played by the AAA, CIA, and CONAC.

**Basic Education and Examination**

(17) The CAS and SOA have the primary responsibility for the management of the basic education and examination process provided for the education of actuaries in the United States and Canada. However, the AAA, ASPA, CIA, and CONAC have a responsibility for meeting the unique education needs of their members. Joint communication among the organizations should be encouraged for the purpose of minimizing unnecessary duplication. The Participating Organizations, in particular the CAS and SOA, should work to coordinate their education and examination efforts.

**Continuing Education**

(18) For actuaries practicing in each nation, continuing education criteria should be compatible. While each Participating Organization determines its own continuing education requirements, each is encouraged to accept for credit attendance at meetings and seminars covering appropriate and relevant material sponsored by any of the other. Each of the Participating Organizations is encouraged to offer continuing education programs, and to seek opportunities for cosponsorship or joint sponsorship with other Participating Organizations when the programs are on issues of common interest.

**International Interface and Liaison**

(19) In dealings with the international actuarial organizations such as the International Actuarial Association (IAA) and with non-actuarial bodies that set standards affecting the work of actuaries internationally, such as the International Accounting Standards Committee (IASC), the responsibilities of the Participating Organizations shall be essentially the same as they would be relative to North America. As national organizations, the AAA, CIA, and CONAC have the primary responsibility for representing the actuarial professions of the United States, Canada, and Mexico respectively, in commenting on relevant IASC proposed accounting standards and on requirements for IAA membership as they relate to professionalism. ASPA, the CAS, the CIA, CONAC, and the SOA have the primary responsibility for commenting on basic educational or examination requirements for IAA membership. As national organizations, the AAA, CIA, and CONAC have the primary responsibility for representing the actuarial professions of the United States, Canada, and Mexico respectively in discussions regarding mutual recognition for purposes of national practice rights and in discussions with international trade representatives. The Participating Organizations agree to coordinate their IAA and other international activities as appropriate.

**Meetings, Seminars, Symposia, etc.**

(20) A Participating Organization sponsoring a specialty meeting, seminar, or other
membership activity on a particular topic shall consider inviting as a cosponsor other organizations with interest in that topic. Cosponsorship does not imply sharing a financial interest as does joint sponsorship. Opportunities for cosponsored or jointly sponsored activities and meetings on issues of common interest should be sought.

### Database

(21) Each Participating Organization agrees to discuss, develop, and implement as appropriate the use of a common database of members for the purpose of fostering more efficient communication among the actuaries in North America, e.g., with respect to meetings and other continuing education announcements. Members of all of the Participating Organizations should be listed in the Directory of Actuarial Memberships.

### Membership Communications

(22) In order to promote better communication among the actuaries in North America, the Participating Organizations agree to participate in a discussion on the feasibility of developing and implementing communication devices including, but not limited to:

- North American computer mailbox and/or website, linked websites, and

- a standard for preparing and distributing abstracts for all research being conducted by the actuarial profession.

### Meetings of the Leadership

(23) The COP should meet three times a year, once in each respective country. Arrangements for the meeting (including location and chairing the meeting) shall be the responsibility of the host country. The AAA is responsible for coordinating the agenda and meeting materials for each COP meeting, working with the hosting organizations as appropriate. The Participating Organizations agree to contribute toward the AAA’s costs to perform this function.

### Committees

(24) To minimize future overlap, no new committee, task force, or other entity should be established without consideration being given to coordinating the effort with other relevant organizations.

(25) Each Participating Organization agrees to discuss, coordinate, and implement, where feasible, a program to eliminate any overlap in the functions performed by various committees and members, and to explore ways to cooperate in the appointment of representatives so that, where feasible and appropriate, one person can represent more than one organization. The Participating Organizations agree that such cooperation is particularly important in the international arena and that, therefore, where feasible and appropriate, one individual should be appointed to represent more than one organization on committees of the International Actuarial Association.

(26) The Practice Councils of the AAA shall include members representing the other Participating Organizations, as appropriate.

### Staff Communication, Coordination, and Support

(27) The staffs of the nine organizations shall do all in their power and authority to support the goals and facilitate the implementation of the Working Agreement. The staffs shall maintain a Staff Working Agreement and review its provisions annually in a joint meeting. They shall:
- see that all appropriate materials and invitations are distributed as called for by this Working Agreement;

- coordinate topic and date planning and, as appropriate, cooperate in development of programs and/or support and communication materials, including the implementation of any co-sponsorship arrangements with respect to member meetings, continuing education seminars, and other similar activities and events;

- work together to create a common membership/student database and seek ways to maximize the cooperative and individual uses of that database, particularly in support of the Working Agreement;

- support feasibility studies and any resulting implementation activities designed to improve overall member communications, including, but not limited to, publications, computer mail boxes, linked websites, and common research abstracts;

- prepare an annual report for the COP identifying the effectiveness of the prior year's activities relative to the Staff Working Agreement and suggesting areas for improvement;

- distribute copies of the Working Agreement to all members of their governing bodies; and

- broadly publicize this Working Agreement to their memberships as appropriate (e.g., publishing this Working Agreement in their Yearbooks or posting it on their websites).
D. BOARD AND COMMITTEE MEETINGS

The Board of Directors has adopted the following policy with respect to attendance at, and participation in, Academy meetings.

1. The Academy's meetings (including conference calls) are open to its members, and to guests invited by the committee or task force chair, with the exceptions of the Nominating Committee, the Budget and Finance Committee, Personnel and Compensation Committee, and the Committee on Discipline, whose meetings are closed. However, portions of the Executive Committee and Board of Directors meetings may be closed for executive sessions, as well as portions of committee and task force meetings when necessary to consider confidential information where such consideration is essential to accomplish tasks assigned to the committees or task forces by the Board of Directors, the Executive Committee, or the appropriate Vice President. Committee or task force meetings may be closed to members only for the purpose of considering confidential information with the prior consent of the appropriate Vice President or the President, and subject to any terms, conditions, or restrictions that the Vice President or President may impose. The decision to permit a committee or task force to close its meetings shall be reported to the Board of Directors at its next regularly scheduled meeting.

2. Academy staff attends meetings and conference calls as appropriate.

3. Members attending Academy meetings (including conference calls) should inform the committee chairperson of their presence (in-person or on a conference call), and are free to observe the conduct of those meetings. They may participate in discussions only with the consent of the chairperson.

4. Conference call schedules will be listed appropriately on the Academy website. However, the Academy reserves the right to reschedule, cancel or postpone meetings and conference calls at the request of committee members. Reasonable efforts will be made to update meeting and conference call schedules on a timely basis.
E. COMMITTEE APPOINTMENT GUIDELINES

Preamble
In accordance with the Bylaws of the American Academy of Actuaries, the president appoints committees authorized by the Board of Directors. To aid the president in making such appointments, the board adopted the following guidelines with this preamble at its meeting on Oct. 31, 1980. These guidelines reflect the board’s intention to involve as many members as possible in committee activities without sacrificing continuity. However, the effectiveness of committee work is paramount, and as a consequence, strict adherence to the guidelines is not expected, particularly with respect to committees that interface regularly with other professions and/or government.

Committees for which specific appointment rules are established by the board (e.g., Nominating Committee, Actuarial Standards Board) are exempt from the guidelines. Appointments to joint committees and liaison appointments are subject to the guidelines applicable to standing committees, although certain of the liaison appointments must be board members pursuant to Academy policy and agreements with other organizations.

Guidelines
(1) All members of the Academy are eligible to serve on committees.
(2) An officer of the Academy should not serve on any committee except in an ex officio capacity.
(3) A person should be chairperson of a standing committee for no more than three years and should retire from the committee after serving as chairperson.
(4) A person should remain on a standing committee for no more than three years unless such person becomes chairperson by the end of that period.
(5) In general, a person should not serve concurrently on more than one standing committee.
(6) In general, a person appointed to a task force or a special committee is expected to serve until the task force or special committee is discharged.
Precept 12 of the Code of Professional Conduct of the American Academy of Actuaries provides that "[a]n Actuary shall make use of membership titles and designations of a Recognized Actuarial Organization only in a manner that conforms to the practices authorized by that organization." Annotation 12-1 of the Code defines "title" as "any title conferred by a Recognized Actuarial Organization related to a specific position within that organization," and "designation" as "a specific reference to membership status within such organization." The Academy's Board of Directors has authorized only the following practices for use of membership titles and designations:

**I. Membership Designations**

A member of the Academy may sign or otherwise identify himself or herself orally or in writing by using any of the following designations:

A. Member of the American Academy of Actuaries
B. Member, American Academy of Actuaries
C. Member, A.A.A.
D. M.A.A.A.

An individual who is not a member of the Academy, or who has ceased to be a member of the Academy through resignation, suspension, expulsion, or for any other reason, may not use any Academy designation unless and until that individual becomes or resumes being an Academy member.

**II. Titles**

A. Except as provided in Sections II (B) and (C) below, a member may include in written communications only references to titles held within the Academy when engaged in Academy business or speaking on the Academy's behalf. A member may never speak or act on behalf of the Academy without authorization to do so from the Board of Directors, Executive Committee, or other appropriate authority.

B. Academy members who have been duly elected or appointed to the following roles may identify themselves as follows when engaged in Academy business or speaking on behalf of the Academy:

1. [Officer specify office], American Academy of Actuaries
2. Member of the Board of Directors, American Academy of Actuaries
3. [Chairperson/Vice Chairperson/Member], [Council on Professionalism], American Academy of Actuaries
4. [Chairperson/Vice Chairperson/Member], [Committee/Task Force/Work Group] on [topic], American Academy of Actuaries
5. [Staff member specify title], American Academy of Actuaries

C. A member who holds or has held one or more of the titles identified in Section II(B) above may refer to Academy offices or titles held in the following settings, but only if it is clear that the member is not purporting to speak or act on the Academy's behalf:

1. Biographical material, such as résumés or material included in a book or article written by or about the member;
2. Testimony in a court of law or before a legislative or regulatory body;
3. An announcement or publication of a member's change of employment or promotion.
The American Academy of Actuaries ("the Academy") is an equal opportunity employer. It also offers services, membership benefits, and opportunities to its present and prospective members (referred to hereinafter collectively as "members") on a nondiscriminatory basis. It is the Academy’s policy to refrain from unlawful discrimination against employees and members on the basis of race, color, national origin, ancestry, personal appearance, age, gender, pregnancy, marital status, sexual orientation, family responsibilities, religious affiliation, matriculation, political affiliation, physical, mental, or emotional disability, source of income, place of residence, or unfavorable discharge from military service, as those terms are defined by applicable state and federal law. These characteristics are referred to hereinafter as "protected characteristics."

Further, it is the Academy’s policy to provide its employees and members with a working environment that is free from unlawful discrimination based upon any of the protected characteristics described above. No Academy employee or member should be subjected to such discrimination while working for, or engaging in activities conducted by, the Academy.

It is also a violation of this policy for an Academy employee or member to seek to retaliate against any individual for complaining of a violation of the Academy’s anti-discrimination policy.

The list of protected characteristics is compiled from applicable District of Columbia, Illinois, and federal laws.

This statement is not intended to preclude the good-faith exercise of an individual’s legal rights.
The Academy has adopted the following mission statement to guide its activities on behalf of the actuarial profession and the public:

As the organization representing the entire United States actuarial profession, the American Academy of Actuaries serves the public and the actuarial profession both nationally and internationally through:

a) establishing, maintaining, and enforcing high professional standards of actuarial qualification, practice, and conduct,
b) assisting in the formulation of public policy by providing independent and objective information, analysis and education, and
c) in cooperation with other organizations representing actuaries,
   • representing and advancing the actuarial profession, and
   • increasing the public's recognition of the actuarial profession's value.

These fundamental purposes of the Academy require it to maintain a high level of professional objectivity and independence from any specific interests of the employers of its members. Therefore, members who work on the Academy's behalf must carefully consider and address any situation that may arise with respect to the members' activity, or the activity of any member working with them, which may call into question their professional objectivity.

Members should comply with the Code of Professional Conduct whenever they provide services to the Academy. Members should familiarize themselves with Precept 7 of the code, which provides specific guidance on dealing with conflicts of interest. Any actual or potential conflict, real or apparent, with this objective must be dealt with using the guidance provided in Precept 7, treating Academy work like "Actuarial Services" as defined in the Code of Professional Conduct. Disclosures required under Precept 7 should be made to the member supervising the activity in question.

Any question or concern about the possibility of a conflict of interest with respect to any work a member may perform on behalf of the Academy should be addressed to the member supervising the activity or to the Academy's general counsel.
I. GUIDELINES FOR MAKING PUBLIC STATEMENTS

A. What Constitutes a Public Statement

A public statement is a formal, written statement on behalf of some Academy entity (board, committee, task force, etc.) to an external group. This does not include a statement representing the views of an individual member. Public statements include:

1. Statements to Governmental Entities—such as testimony or other formal comments submitted to regulatory, legislative, and investigative bodies at both the federal and state levels.

2. Statements to Professional and Other Groups—defined as organizations that effectively have some regulatory powers, even if they are not primarily regulatory bodies, e.g., the Financial Accounting Standards Board, the American Institute of Certified Public Accountants, the National Association of Insurance Commissioners, or the American Bar Association.

3. Statements to External Publications—including articles and other expository material to newspapers and periodicals, except where such statements would fall under the exception for media communications below.

Media communications, including letters to the editor or other editorial and expository comments to newspapers and periodicals, are considered to be a special form of public communication that generally is not subject to the procedural requirements of these guidelines. This special status is in recognition of the fact that media deadlines prevent the utilization of the review procedures applicable to formal public statements. When letters or other media opportunities (such as radio or television interviews) are anticipated, the spokesperson should consult the Academy's director of communications for special guidance. It is generally appropriate in such circumstances for the individual to note that the views expressed are not necessarily those of the Academy.

B. The Scope of Public Statements

Clearly, a public statement based on the insights of actuarial science should be the primary focus in the profession's public pronouncements. It is important to note, however, that the profession's technical expertise encompasses a broader spectrum than is reflected by the concerns of what normally would be considered pure actuarial science. There are numerous instances when the actuary's knowledge is a valuable addition to the information surrounding a given issue. It would be a disservice to all parties for the profession to make public statements only in the narrow areas where the actuary's knowledge is unique.

Each situation must be evaluated on its own merits to determine whether a public statement by the Academy is appropriate. The tone and nature of a statement must reflect the dignity and standards of the profession. Statements should contain a clear, concise, and balanced presentation of the significant facts, including relevant benefits and costs. A statement need not, however, limit itself solely to statements of fact.

It is also appropriate for statements to draw inferences from statements of fact, so long as these inferences are valid. To limit a public statement to a mere recitation of facts would deny the public the benefit of the full range of the profession's capabilities.

A public statement generally should not take positions on the social and political implications of issues. It may be appropriate, however, to point out social and political implications insofar as these implications may be objectively determined.
certain circumstances, it may not be possible to divorce social or political implications from actuarial considerations.

There may be some issues that have actuarial implications that are better dealt with by trade associations, companies, or individuals. Public statements that appear to be self-serving will be less effective, but the Academy should not hesitate to speak out on matters that involve legitimate professional interests. In fact, the Academy has a responsibility to do so.

C. Development and Delivery of Public Statements

Academy officers, committees, and staff should generally follow the guidelines presented below in the development and delivery of public statements. At times, these procedures may need to be modified in order to ensure the timeliness and effectiveness of statements.

1. Identification of Issues—Many people contribute to this activity: staff, officers, practice councils, committees, and individual Academy members. When an issue is identified by Academy staff, staff will contact the appropriate committee or task force chairperson directly and copy the appropriate Academy vice president (hereinafter referred to as supervisory officer), unless there is a jurisdictional question to be resolved (see [2] below). Early identification is critical to the Academy's development of well-prepared, timely statements.

2. Authority to Proceed—If staff or supervisory officers identify an issue that may warrant a public statement, they will assign it to the committee or task force best able to develop the statement. If an issue is significant for more than one practice area, the staff and appropriate supervisory officers will discuss the matter with the appropriate committee chairpersons, determine which committee or task force receives the assignment, and assure that proper coordination is established and maintained through the use of joint task forces, committee liaisons, dual practice council reviews, or other appropriate means. Supervisory officers, at their discretion, may seek the advice of their practice council in resolving jurisdictional issues and achieving appropriate coordination.

If a committee or task force identifies a matter that may warrant a public statement, the chairperson will promptly advise the supervisory officer and appropriate staff liaison. Unless otherwise instructed by the supervisory officer, the committee/task force chairperson may proceed in the development of a statement. Committees and task forces have the authority to develop statements so long as they are consistent with well-established principles of the profession and so long as the appropriate peer review and approval procedures are followed.

3. Notice of Public Statement Preparation—Members will be kept apprised of major issues of concern to Academy committees and task forces through articles and announcements in the Actuarial Update, and input from members will be solicited by suggesting that they contact the relevant chairperson. Because of the large number of public statements, not all statements under development can be announced in the Actuarial Update. Reports summarizing committee and task force activities during the previous twelve months will appear in a supplement to the Actuarial Update soon after the end of the Academy year. A complete listing of committee and task force statements for the previous calendar year also will appear in an annual supplement.

4. Development of Statements—Committees and task forces will prepare public statements and any supporting
background material in accordance with the following guidelines:

(a) Public statements generally represent the opinion of a committee or task force. Generally, a public statement will be developed by members of a standing Academy committee, a presidentially appointed task force, or a working group established by one of the Academy's four practice councils. It is always appropriate, however, to involve other Academy members considered by the committee, task force, or working group to have pertinent expertise or experience. From time to time, it may also be appropriate to solicit the input of non-actuaries. When and how such input is solicited is at the discretion of the committee chair with the concurrence of the supervisory officer.

(b) On major issues that are likely to be highly controversial within the profession, the chairperson and the supervisory officer should seek broader input from Academy members and leaders of the profession. Options for obtaining such input include requests for comments published in the Actuarial Update, discussions with Academy leadership and the leadership of other actuarial organizations, discussions with appropriate committees of other actuarial organizations, solicitations and special sessions at widely attended actuarial meetings, special seminars on the issue, and discussions with other Academy committees, task forces, and working groups. If time allows, the Academy exposure draft procedures also should be considered. The supervisory officer will determine the most appropriate means of obtaining member input in consultation with the area's practice council, the Academy president, the committee chairperson, and the executive director. Academy staff and the supervisory officer are initially responsible for determining if an issue is highly controversial.

(c) The Academy staff is available to assist in the preparation of public statements. In some instances, it may not be practical to involve the staff directly in statement preparation, although committee chairpersons are strongly encouraged to do so. The involvement of Academy staff can be helpful in assuring the consistency of the statement with previous public statements and policy decisions.

(d) In some circumstances, the Academy staff may develop a public statement on its own initiative. Staff-developed statements must have the approval of the appropriate chairperson and supervisory officer and should be circulated to all committee, task force, or working group members even if the time for comment is limited. Only under extraordinary circumstances may the chair and supervisory officer release a statement before circulation to the full committee, task force, or working group. Statements developed by staff should reflect previous public statements and policy decisions.

(e) The chairperson should seek a consensus of the committee, task force, or working group members. If there is substantial lack of consensus, the chairperson may elect to incorporate the majority and minority perspectives into the statement, to refer the issue to the supervisory officer, or not to issue a public statement. In some cases, time constraints may prevent the entire committee, task force, or working group from participating in the preparation of a particular statement, and the task of drafting the statement may be left to the chairperson or the chair-
person's designee(s). In such cases, the drafters should seek maximum input from available committee, task force, or working group members.

(f) No statement should be presented without appropriate peer review. The level of peer review should depend upon the level of risk and exposure of the statement. Before release, statements should generally be reviewed by the supervisory officer, or designee thereof, and Academy staff. For statements that are the work of individuals or small subgroups and that have not had the benefit of the full group's deliberation, peer review should include the committee/task force/working group chair and two senior reviewers in addition to the supervisory officer (or designee) and staff. The senior review persons, to be selected by the chairperson with approval of the supervisory officer, should be knowledgeable and experienced in the subject at hand and should be known to reflect broadly held views of the profession. In extraordinary circumstances, the supervisory officer and staff may agree to release a statement before completion of peer review.

(g) Staff, in consultation with the supervisory officer, are to determine if a statement requires review by the general counsel and will arrange with counsel for such review.

(h) The decision to issue the final statement generally rests with the supervisory officer, who may delegate this responsibility to the committee, task force, or working group chairperson or other designee. For issues of major importance or those deemed highly controversial, the executive director and president also should be consulted before the statement is released to its intended audience.

(i) When deemed appropriate by the supervisory officer, a recommendation should be made to the president that a proposed statement be submitted to the Board of Directors for review before issuance. The board may modify or disapprove a public statement if it believes such action is in the best interest of the Academy.

5. Presentation of Statements—

The committee or group issuing a statement must be stated. The group will ordinarily be a practice council working group, task force, committee, or the Board of Directors. Blanket sponsorship by the Academy is not to be implied.

When the audience is familiar with the Academy and its committee structure, a statement such as the following will usually be sufficient: "This statement was prepared by the American Academy of Actuaries' XYZ Committee."

In instances when further explanation is appropriate, the committee, task force, or working group should consider including additional language such as the following: "The committee is made up of representatives from the entire range of (name of actuarial practice area). The committee includes actuaries who work as consultants, are employed by insurance companies, are actuaries for government (specify type of government programs, if appropriate) and the National Association of Insurance Commissioners, and are employed by nonprofit (specify type, if appropriate) organizations. The expertise of other senior (practice area) actuaries knowledgeable of (issue) was drawn upon to prepare this statement."

As a general rule, Academy statements do not identify the individual members of the group that developed them. In some cases, however, identifying members of the group may add to the credibility of the statement or serve some other purpose such as meeting the requirements of the
intended audience. The decision to identify individual authors should be made in consultation with the supervisory officer and Academy staff. Unless there is good reason not to do so, non-actuaries who participated in the formulation of the statement should be identified and their non-Academy-member status and role identified in footnotes or otherwise.

Any statement that involves issues of significance to multiple practice areas should clearly identify the practice area to which the statement is intended to apply.

All public statements should be dated and submitted in written form, with an oral presentation as appropriate. Statements should be submitted on Academy letterhead. Even when statements are responses to highly technical methodological inquiries, the general issue being addressed should be clearly specified in an initial sentence or two. Except when the Academy is well-known to the audience, a formal statement about the Academy (sample below) should be included in the public statement. If an oral statement is to be presented at a formal hearing, the group’s chairperson and supervisory officer will select the person or persons to make the presentation.

6. Distribution of Statements—After the statement has been formally submitted, the final statement will be available for broader distribution. Members can request a copy of the statement by writing or calling the Academy’s Washington office.

D. Sample Description of the Academy

The American Academy of Actuaries is a national organization formed in 1965 to bring together, in a single entity, actuaries of all specializations within the United States. A major purpose of the Academy is to act as a public information organization for the profession. Academy committees regularly prepare testimony for Congress, provide information to congressional staff and senior federal policy-makers, comment on proposed federal and state regulations, and work closely with the National Association of Insurance Commissioners and state officials on issues related to insurance and other forms of risk financing. The Academy establishes qualification standards for the actuarial profession in the United States and houses two independent boards. The Actuarial Standards Board promulgates standards of practice for the profession, and the Actuarial Board for Counseling and Discipline helps to ensure high standards of professional conduct are met.

E. International Statements

From time to time, the Academy may wish to make public statements in the international context, or to join in public statements made by an international actuarial organization. Such statements may be reviewed and approved by the appropriate Academy committee or task force in accordance with the preceding sections of these guidelines, except that such statements will generally be issued on behalf of the Academy as a whole. Final approval to issue or join in an international public statement is generally granted by the president with advice of the vice president(s) for the relevant practice area(s). When deemed appropriate by the president, the proposed statement will be submitted to the Board of Directors, which may modify or disapprove the statement.
The purpose of Practice Notes is to provide information to actuaries on current actuarial practices in areas that are intended to supplement the available actuarial literature, especially where the areas of practice addressed are subject to emerging technology or recently adopted external requirements. Practice Notes are not interpretations of standards, nor do they convey generally accepted actuarial practices in the same sense that standards of practice do. Actuaries are not in any way bound to follow Practice Notes. Notes concerning general questions relating to professionalism may also be issued.

Practice Notes are written by groups of actuaries having practical experience and expertise in a particular area of practice. There may be informal exposure of draft Practice Notes by the originating group to meetings of other interested actuaries, but there is no formal process for recording or responding to any comments that might be generated. The Practice Notes developed are reviewed and edited by Academy staff and, if approved by the appropriate practice council chairperson, are published and distributed by the Academy. In contrast, actuarial standards of practice and compliance guidelines are promulgated by the Actuarial Standards Board, which adheres to procedures that are intended to provide due process and exposure to professional review.

The following guidelines are intended to assist Academy officers, committees, and staff in developing and maintaining the timeliness and effectiveness of Practice Notes. These guidelines are designed to promote consistency of quality and style and to ensure that the practices identified are in conformity with the standards of practice and existing regulatory requirements. Nothing in these guidelines is intended to inhibit other actuarial organizations from publishing materials that provide information on current actuarial practices to assist practicing actuaries.

1. **Practice Council Oversight**—Practice Notes are primarily the responsibility of the practice councils of the Academy, with support from Academy staff, officers, and committees; committees or task forces of other actuarial organizations; and individual actuaries.

2. **Initiation of Request**—While the practice councils are charged with monitoring the need for new Practice Notes and the revision of existing Practice Notes, any actuary or entity may request that the development or revision of Practice Notes be considered for a specific area of practice. Such requests may be directed to the appropriate practice council for evaluation of need, approval, and implementation.

3. **Authority to Proceed**—If a practice council determines that a new or revised Practice Note is needed in a particular area of practice, the practice council chairperson ("PC chair") will request that an appropriate committee or task force within the profession develop the Practice Note.

4. **Development Procedures**—Practice Notes will generally be developed by a committee or task force and will be identified as a product of that group. It may be appropriate, however, to involve other actuaries believed by the committee or task force to have pertinent expertise or experience. From
time to time it may also be appropri-  
ate to solicit the input of non- 
actuaries. When and how such  
additional input is solicited is at the  
discretion of the committee chair  
with concurrence of the PC chair.  
Practice Notes should describe the  
known range of practices in use to  
the fullest extent possible.

5. **Required Disclosures**—Each  
Practice Note should begin with a  
paragraph stating that the Practice  
Note is not a promulgation of the  
Actuarial Standards Board or of any  
other authoritative body of the  
American Academy of Actuaries,  
identifying the group that devel-  
oped the Practice Note, and explain-  
ing that information contained in  
the Practice Note is not binding on  
any actuary and is not a definitive  
statement as to what constitutes  
generally accepted practice in the  
area under discussion. Blanket  
sponsorship by the Academy should  
not be stated or implied.

6. **Consensus**—The chairperson  
should seek a general consensus of  
the committee members. If there is  
substantial lack of consensus, the  
chairperson may elect not to issue a  
Practice Note, to refer the issue to  
the PC chair, or to incorporate the  
alternate perspectives into the  
Practice Note.

7. **Review Procedures**—No Practice  
Note should be released without  
appropriate peer review. At a mini-  
mum, Practice Notes should be  
reviewed by the committee or task  
force chairperson, the PC chair  
and/or his or her designee(s), and  
Academy staff. All Practice Notes  
must receive legal and editorial  
review by the Academy staff to  
assure legality and consistency with  
previous notes and standards of  
practice.

8. **Final Approval**—The ultimate deci-  
sion to issue a Practice Note rests  
with the PC chair. For issues of  
major significance, the PC chair  
may consult with the Academy exec-  
utive director, as well as the presi-  
dent, prior to the release of the note.

9. **Production and Distribution**—  
Production and distribution of final  
Practice Notes will be handled by  
the Academy staff. Distribution  
may vary depending on the audi-  
ence for the notes.

10. **Annual Review**—The PC chair will  
initiate a review of the current  
Practice Notes annually for rele-  
vance, purpose, and completeness.
3. Professionalism
There are three types of professional standards: the Code of Professional Conduct, which provides ethical guidance; the Qualification Standards, which provide guidance to actuaries regarding the necessary education and experience to do work; and Actuarial Standards of Practice to guide actuaries in how to do work. The Actuarial Board for Counseling and Discipline provides advice and guidance to actuaries and investigates actuaries if qualifications, practice standards, or ethical requirements have not been met.

<table>
<thead>
<tr>
<th>Actuarial Standards and Guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional and Ethical Requirements</td>
</tr>
<tr>
<td>-------------------------------------------------</td>
</tr>
<tr>
<td>Specific Guidance</td>
</tr>
<tr>
<td>Provider</td>
</tr>
</tbody>
</table>
## A. Professional Standards

This table displays the array of professional standards and activities. Unless otherwise noted, applicable materials are included in the actuarial standards handbooks.

<table>
<thead>
<tr>
<th>Code of Professional Conduct</th>
<th>General Qualification Standards</th>
<th>Specific Qualification Standards</th>
<th>Continuing Education Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developing Committee Joint Committee on Code of Professional Conduct</td>
<td>Committee on Qualifications</td>
<td>Committee on Qualifications</td>
<td>Committee on Qualifications</td>
</tr>
<tr>
<td>Published Guidance Code of Professional Conduct booklet</td>
<td>Qualification Standards booklet</td>
<td>Qualification Standards booklet</td>
<td>Qualification Standards booklet</td>
</tr>
<tr>
<td>Guidance for Individual actuary</td>
<td>Those qualified to give Prescribed Statements of Actuarial Opinion*</td>
<td>Those qualified to give Prescribed Statements of Actuarial Opinion</td>
<td>Retention of the actuary's qualifications to give Prescribed Statements of Actuarial Opinion</td>
</tr>
<tr>
<td>Practice Areas Covered All four major practice areas: Life, Health, Pension, Casualty</td>
<td>All four major practice areas: Life, Health, Pension, Casualty</td>
<td>NAIC Annual Statement of Actuaries</td>
<td>All Prescribed Statements of Actuarial Opinion</td>
</tr>
</tbody>
</table>

### Practice Areas Covered
- Life
- Health
- Pension
- Casualty

### Standards of Practice
- Life
- Health
- Pension
- Casualty

### Compliance Guidelines
- Complied with the Actuarial Standards Board
- Academy Bylaws as published in 2001 Yearbook

### Counseling and Discipline
- Compliance with ethics, Qualification Standards, and Actuarial Standards of Practice

---

*Prescribed statements of actuarial opinion are: opinions called for by law or regulation; opinions called for by a standard of practice or a compliance guideline as promulgated by the Actuarial Standards Board; or actuarial communications made for purposes of compliance with standards promulgated by the Financial Accounting Standards Board or the Governmental Accounting Standards Board.*
This flowchart is for actuaries who issue prescribed statements of actuarial opinion (PSAOs). It is designed to help answer the question: "Do I meet the qualification standards?"

Start with the "look-in-the-mirror" test (see Precept 2 of the Code of Professional Conduct) and follow the 10 steps below until you have set up your CE records. Your primary references for this task are the qualification standards (see www.actuary.org/standard.htm) or contact the Academy's Rita Winkel (202-223-8196, winkel@actuary.org).

1. Do you pass the look-in-the-mirror test (Precept 2) for your actuarial opinion? YES NO

2. Find your current copy of the qualification standards. YES NO

3. Identify your actuarial area of practice. YES NO

4. Is your actuarial opinion a PSAO? YES NO

5. Under which qualification standard does your PSAO fall? YES NO

6. Do you meet the general experience requirements? YES NO

7. Do you meet the general education requirements? YES NO

8. Does the enrolled Actuary role for continuing education apply to you and your PSAO? YES NO

9. Do you have enough appropriate CE credit hours? YES NO

10. Have you documented and saved your CE-records? YES NO

11. Have you documented and saved your CE-records? YES NO

 If all steps are completed, you may sign and issue your PSAO.
C. Code of Professional Conduct

Effective January 1, 2001, the five U.S.-based actuarial organizations adopted this Code of Professional Conduct. It was adopted by the Board of Directors of the American Academy of Actuaries on September 28, 2000, and applies to all members.

The Code of Professional Conduct sets forth what it means for an actuary to act as a professional. It identifies the responsibilities that actuaries have to the public, to their clients and employers, and to the actuarial profession.

The Board of the American Academy of Actuaries thanks the Joint Committee on the Code of Professional Conduct for their hard work and perseverance in drafting the Code and obtaining the approval of all five organizations' boards.

Code of Professional Conduct

The purpose of this Code of Professional Conduct ("Code") is to require Actuaries to adhere to the high standards of conduct, practice, and qualifications of the actuarial profession, thereby supporting the actuarial profession in fulfilling its responsibility to the public. An Actuary shall comply with the Code. An Actuary who commits a material violation of the provisions of the Code shall be subject to the profession's counseling and discipline procedures.

The Precepts of the Code identify the professional and ethical standards with which an Actuary must comply in order to fulfill the Actuary's responsibility to the public and to the actuarial profession. The Annotations provide additional explanatory, educational, and advisory material on how the Precepts are to be interpreted and applied.

In addition to this Code, an Actuary is subject to applicable rules of professional conduct or ethical standards that have been promulgated by a Recognized Actuarial Organization for the jurisdictions in which the Actuary renders Actuarial Services. Actuarial Services are considered to be rendered in the jurisdictions in which the Actuary intends them to be used unless specified otherwise by an agreement between a Recognized Actuarial Organization for any such jurisdiction and the organizations that have adopted the Code.

Laws may also impose obligations upon an Actuary. Where requirements of Law conflict with the Code, the requirements of Law shall take precedence.

An Actuary must be familiar with, and keep current with, not only the Code, but also applicable Law and rules of professional conduct for the jurisdictions in which the Actuary renders Actuarial Services. An Actuary is responsible for securing translations of such Laws or rules of conduct as may be necessary.

Definitions:
As used throughout the Code, the following terms are capitalized and have the meanings indicated:

Actuarial Communication: A written, electronic, or oral communication issued by an Actuary with respect to Actuarial Services.

Actuarial Services: Professional Services provided to a Principal by an individual acting in the capacity of an actuary. Such services include the rendering of advice, recommendations, findings, or opinions based upon actuarial considerations.

Actuary: An individual who has been admitted to a class of membership to which the Code applies by action of any organization having adopted the Code. When the term "actuary" is used without being capitalized, it refers to any individual practicing as an actuary, regardless of organizational membership or classification.
Confidential Information: Information not in the public domain of which an Actuary becomes aware as a result of providing Actuarial Services to a Principal. It includes information of a proprietary nature and information that is legally restricted from circulation.

Law: Statutes, regulations, judicial decisions, and other statements having legally binding authority.

Principal: A client or employer of the Actuary.

Recognized Actuarial Organization: An organization that has been accepted for full membership in the International Actuarial Association or a standards setting, counseling, or discipline body to which authority has been delegated by such an organization.

Professional Integrity

PRECEPT 1. An Actuary shall act honestly, with integrity and competence, and in a manner to fulfill the profession’s responsibility to the public and to uphold the reputation of the actuarial profession.

ANNOTATION 1-1. An Actuary shall perform Actuarial Services with skill and care.

ANNOTATION 1-2. An Actuary shall not provide Actuarial Services for any Principal if the Actuary has reason to believe that such services may be used to violate or evade the Law or in a manner that would be detrimental to the reputation of the actuarial profession.

ANNOTATION 1-3. An Actuary shall not use a relationship with a third party or with a present or prospective Principal to attempt to obtain illegal or materially improper treatment from one such party on behalf of the other party.

ANNOTATION 1-4. An Actuary shall not engage in any professional conduct involving dishonesty, fraud, deceit, or misrepresentation or commit any act that reflects adversely on the actuarial profession.

Qualification Standards

PRECEPT 2. An Actuary shall perform Actuarial Services only when the Actuary is qualified to do so on the basis of basic and continuing education and experience and only when the Actuary satisfies applicable qualification standards.

ANNOTATION 2-1. It is the professional responsibility of an Actuary to observe applicable qualification standards that have been promulgated by a Recognized Actuarial Organization for the jurisdictions in which the Actuary renders Actuarial Services and to keep current regarding changes in these standards.

ANNOTATION 2-2. The absence of applicable qualification standards for a particular type of assignment or for the jurisdictions in which an Actuary renders Actuarial Services does not relieve the Actuary of the responsibility to perform such Actuarial Services only when qualified to do so in accordance with this Precept.

Standards of Practice

PRECEPT 3. An Actuary shall ensure that Actuarial Services performed by or under the direction of the Actuary satisfy applicable standards of practice.

ANNOTATION 3-1. It is the professional responsibility of an Actuary to observe
applicable standards of practice that have been promulgated by a Recognized Actuarial Organization for the jurisdictions in which the Actuary renders Actuarial Services, and to keep current regarding changes in these standards.

ANNOTATION 3-2. Where a question arises with regard to the applicability of a standard of practice, or where no applicable standard exists, an Actuary shall utilize professional judgment, taking into account generally accepted actuarial principles and practices.

ANNOTATION 3-3. When an Actuary uses procedures that depart materially from those set forth in an applicable standard of practice, the Actuary must be prepared to justify the use of such procedures.

Communications and Disclosure

PRECEPT 4. An Actuary who issues an Actuarial Communication shall take appropriate steps to ensure that the Actuarial Communication is clear and appropriate to the circumstances and its intended audience and satisfies applicable standards of practice.

ANNOTATION 4-1. An Actuary who issues an Actuarial Communication shall ensure that the Actuarial Communication clearly identifies the Actuary as being responsible for it.

ANNOTATION 4-2. An Actuary who issues an Actuarial Communication should indicate the extent to which the Actuary or other sources are available to provide supplementary information and explanation.

PRECEPT 5. An Actuary who issues an Actuarial Communication shall, as appropriate, identify the Principal(s) for whom the Actuarial Communication is issued and describe the capacity in which the Actuary serves.

PRECEPT 6. An Actuary shall make appropriate and timely disclosure to a present or prospective Principal of the sources of all direct and indirect material compensation that the Actuary or the Actuary's firm has received, or may receive, from another party in relation to an assignment for which the Actuary has provided, or will provide, Actuarial Services for that Principal. The disclosure of sources of material compensation that the Actuary's firm has received, or may receive, is limited to those sources known to, or reasonably ascertainable by, the Actuary.

ANNOTATION 6-1. An Actuary who is not financially and organizationally independent concerning any matter related to the performance of Actuarial Services should disclose to the Principal any pertinent relationship that is not apparent.

ANNOTATION 6-2. An Actuary employed by a firm that operates in multiple locations is subject to the requirement of disclosure of sources of compensation that the Actuary's firm may receive in relation to Actuarial Services with respect to a specific assignment for that Principal, regardless of the location in which such compensation is received.

Conflict of Interest

PRECEPT 7. An Actuary shall not knowingly perform Actuarial Services involving an actual or potential conflict of interest unless:

(a) the Actuary's ability to act fairly is unimpaired;
(b) there has been disclosure of the con-
conflict to all present and known prospective Principals whose interests would be affected by the conflict; and
(c) all such Principals have expressly agreed to the performance of the Actuarial Services by the Actuary.

Control of Work Product

PRECEPT 8. An Actuary who performs Actuarial Services shall take reasonable steps to ensure that such services are not used to mislead other parties.

ANNOTATION 8-1. An Actuarial Communication prepared by an Actuary may be used by another party in a way that may influence the actions of a third party. The Actuary should recognize the risks of misquotation, misinterpretation, or other misuse of the Actuarial Communication and should therefore take reasonable steps to present the Actuarial Communication clearly and fairly and to include, as appropriate, limitations on the distribution and utilization of the Actuarial Communication.

Confidentiality

PRECEPT 9. An Actuary shall not disclose to another party any Confidential Information unless authorized to do so by the Principal or required to do so by Law.

Courteous and Cooperation

PRECEPT 10. An Actuary shall perform Actuarial Services with courtesy and professional respect and shall cooperate with others in the Principal's interest.

ANNOTATION 10-1. Differences of opinion among actuaries may arise, particularly in choices of assumptions and methods. Discussions of such differences between an Actuary and another actuary, or in observations made by an Actuary to a Principal on the work of another actuary, should be conducted objectively and with courtesy and respect.

ANNOTATION 10-2. A Principal has an indisputable right to choose a professional advisor. An Actuary may provide service to any Principal who requests it, even though such Principal is being or has been served by another actuary in the same matter.

ANNOTATION 10-3. An Actuary in the course of an engagement or employment may encounter a situation such that the best interest of the Principal would be served by the Actuary's setting out an alternative opinion to one expressed by another actuary, together with an explanation of the factors that lend support to the alternative opinion. Nothing in the Code should be construed as preventing the Actuary from expressing such an alternative opinion to the Principal.

ANNOTATION 10-4. An Actuary may be requested to advise a Principal for whom the Actuary knows or has reasonable grounds to believe that another actuary has provided, or is providing, Actuarial Services with respect to the same matter. In such event, the Actuary may choose to consult with such other actuary both to prepare adequately for the assignment and to make an informed judgment as to whether there are circumstances involving a potential violation of the Code that might affect acceptance of the assignment. The Actuary should request the Principal's consent prior to such consultation.

ANNOTATION 10-5. When a Principal has given consent for a new or additional actuary to consult with an Actuary with respect to a matter for which the
Actuary is providing or has provided Actuarial Services, the Actuary shall cooperate in furnishing relevant information, subject to receiving reasonable compensation for the work required to assemble and transmit pertinent data and documents. The Actuary shall not refuse to consult or cooperate with the prospective new or additional actuary based upon unresolved compensation issues with the Principal unless such refusal is in accordance with a pre-existing agreement with the Principal. The Actuary need not provide any items of a proprietary nature, such as internal communications or computer programs.

PRECEPT 11. An Actuary shall not engage in any advertising or business solicitation activities with respect to Actuarial Services that the Actuary knows or should know are false or misleading.

ANNOTATION 11-1. Advertising and business solicitation activities encompass all communications by whatever medium, including oral communications, that may directly or indirectly influence any person or organization in deciding whether there is a need for Actuarial Services or in selecting a specific Actuary or firm to perform Actuarial Services.

PRECEPT 12. An Actuary shall make use of membership titles and designations of a Recognized Actuarial Organization only in a manner that conforms to the practices authorized by that organization.

ANNOTATION 12-1. “Title” refers to any title conferred by a Recognized Actuarial Organization related to a specific position within that organization. “Designation” refers to a specific reference to membership status within such organization.

PRECEPT 13. An Actuary with knowledge of an apparent, unresolved, material violation of the Code by another Actuary should consider discussing the situation with the other Actuary and attempt to resolve the apparent violation. If such discussion is not attempted or is not successful, the Actuary shall disclose such violation to the appropriate counseling and discipline body of the profession, except where the disclosure would be contrary to Law or would divulge Confidential Information.

ANNOTATION 13-1. A violation of the Code is deemed to be material if it is important or affects the outcome of a situation, as opposed to a violation that is trivial, does not affect an outcome, or is one merely of form.

ANNOTATION 13-2. An Actuary is not expected to discuss an apparent, unresolved material violation of the Code with the other Actuary if either Actuary is prohibited by Law from doing so or is acting in an adversarial environment involving the other Actuary.

PRECEPT 14. An Actuary shall respond promptly, truthfully, and fully to any request for information by, and cooperate fully with, an appropriate counseling and disciplinary body of the profession in connection with any disciplinary, counseling, or other proceeding of such body relating to the Code. The Actuary’s responsibility to respond shall be subject to applicable restrictions on Confidential Information and those imposed by Law.
MEMBERSHIP

Academy Membership

Membership as of Nov. 1, 2000: 14,515

**Increases:**
- Admissions: 490
- Reinstatements: 21

**Decreases:**
- Deaths: 48
- Withdrawals: 554

Membership as of Nov. 1, 2001: 14,424

Academy Membership by Employment

(As of November 1, 2001)

<table>
<thead>
<tr>
<th>Employment</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insurance and related organizations</td>
<td>6,198</td>
<td>6,482</td>
<td>6,964</td>
</tr>
<tr>
<td>Consulting practice</td>
<td>4,786</td>
<td>5,111</td>
<td>5,112</td>
</tr>
<tr>
<td>Government</td>
<td>230</td>
<td>244</td>
<td>113</td>
</tr>
<tr>
<td>Academic institutions</td>
<td>40</td>
<td>47</td>
<td>43</td>
</tr>
<tr>
<td>Other</td>
<td>663</td>
<td>721</td>
<td>396</td>
</tr>
<tr>
<td>Retired</td>
<td>1,416</td>
<td>1,499</td>
<td>1,367</td>
</tr>
<tr>
<td>Unaffiliated</td>
<td>374</td>
<td>411</td>
<td>429</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>13,707</td>
<td>14,515</td>
<td>14,424</td>
</tr>
</tbody>
</table>

Memberships Held by Academy Members in the American Society of Pension Actuaries (ASPA), Casualty Actuarial Society (CAS), Conference of Consulting Actuaries (CCA) and Society of Actuaries (SOA)

(As of November 1, 2001)

<table>
<thead>
<tr>
<th></th>
<th>ASPA</th>
<th>CAS</th>
<th>CCA</th>
<th>SOA</th>
<th><strong>Total</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>In all four</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>ASPA, CAS, &amp; CCA</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>—</td>
<td>1</td>
</tr>
<tr>
<td>ASPA, CAS, &amp; SOA</td>
<td>1</td>
<td>1</td>
<td>—</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>ASPA &amp; CCA</td>
<td>38</td>
<td>—</td>
<td>38</td>
<td>—</td>
<td>38</td>
</tr>
<tr>
<td>ASPA, CCA, &amp; SOA</td>
<td>48</td>
<td>—</td>
<td>48</td>
<td>48</td>
<td>99</td>
</tr>
<tr>
<td>ASPA &amp; SOA</td>
<td>158</td>
<td>—</td>
<td>158</td>
<td>158</td>
<td>316</td>
</tr>
<tr>
<td>CAS, CCA, &amp; SOA</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>—</td>
<td>9</td>
</tr>
<tr>
<td>CAS &amp; CCA</td>
<td>47</td>
<td>47</td>
<td>—</td>
<td>47</td>
<td>94</td>
</tr>
<tr>
<td>CAS &amp; SOA</td>
<td>109</td>
<td>109</td>
<td>—</td>
<td>7</td>
<td>116</td>
</tr>
<tr>
<td>CCA &amp; SOA</td>
<td>749</td>
<td>749</td>
<td>749</td>
<td>749</td>
<td>2,946</td>
</tr>
<tr>
<td>In one only</td>
<td>362</td>
<td>2,614</td>
<td>161</td>
<td>9,358</td>
<td>12,495</td>
</tr>
<tr>
<td>In none</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>767</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>610</td>
<td>2,783</td>
<td>1,055</td>
<td>10,434</td>
<td>14,424</td>
</tr>
</tbody>
</table>

Academy Members Who Are Enrolled Actuaries

(As of November 1, 2001)

<table>
<thead>
<tr>
<th></th>
<th>ASPA</th>
<th>CAS</th>
<th>CCA</th>
<th>SOA</th>
<th><strong>Total</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>In all four</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>ASPA, CAS, &amp; CCA</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>—</td>
<td>1</td>
</tr>
<tr>
<td>ASPA, CAS, &amp; SOA</td>
<td>1</td>
<td>1</td>
<td>—</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>ASPA &amp; CCA</td>
<td>36</td>
<td>—</td>
<td>36</td>
<td>—</td>
<td>36</td>
</tr>
<tr>
<td>ASPA, CCA, &amp; SOA</td>
<td>42</td>
<td>—</td>
<td>42</td>
<td>42</td>
<td>99</td>
</tr>
<tr>
<td>ASPA &amp; SOA</td>
<td>149</td>
<td>—</td>
<td>149</td>
<td>149</td>
<td>337</td>
</tr>
<tr>
<td>CAS, CCA, &amp; SOA</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>CAS &amp; CCA</td>
<td>0</td>
<td>0</td>
<td>—</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>CAS &amp; SOA</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>CCA &amp; SOA</td>
<td>455</td>
<td>455</td>
<td>455</td>
<td>455</td>
<td>1,825</td>
</tr>
<tr>
<td>In one only</td>
<td>332</td>
<td>1</td>
<td>66</td>
<td>1,846</td>
<td>2,245</td>
</tr>
<tr>
<td>In none</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>455</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>3,394</td>
</tr>
</tbody>
</table>

Non-Academy

Enrolled Actuaries: 1,017

Total Enrolled Actuaries: 4,411
A. MEMBERSHIP REQUIREMENTS

The requirements for admission to membership in the Academy are set forth in Article I of the Bylaws and in these procedures.

I. Education Requirements

The Academy Board of Directors, in accordance with Article I, Section 2(B) of the Bylaws, prescribes the following educational requirements for prospective members. An applicant who has attained the indicated status in one of the organizations listed below shall be deemed to have met the education requirements for admission to membership:

A. Associateship in the Casualty Actuarial Society;
B. Associateship in the Society of Actuaries;
C. M.S.P.A. or F.S.P.A. in the American Society of Pension Actuaries;
D. Membership in the Conference of Consulting Actuaries;
E. Enrolled Actuary status under Title III, Section C of the Employee Retirement Income Security Act of 1974;
F. Fellowship in the Canadian Institute of Actuaries;
G. Fellowship in the Faculty of Actuaries in Scotland;
H. Fellowship in the Institute of Actuaries in Great Britain;
I. Membership in the Colegio Nacional de Actuarios in Mexico;
J. Fellowship in the Institute of Actuaries of Australia.

An applicant who has attained actuarial educational credentials other than those enumerated above may submit those credentials to the Academy for review and approval by the Membership Committee and the Executive Committee.

II. Good Moral Character and Professional Integrity

A. Applicants to the Academy must be of good moral character and have professional integrity. Evidence of the lack of good moral character or professional integrity shall be grounds for rejection of an application to membership in the Academy.

B. In those cases where good moral character and professional integrity cannot be assumed, the Membership Committee and Executive Committee are empowered to call for evidence of such good moral character and professional integrity.

III. Experience Requirement

An applicant must, at the date of application, have had at least three years of full-time equivalent experience in responsible actuarial work. "Responsible actuarial work" is defined as work that has required knowledge and skill in solving practical actuarial problems in any of the fields identified in the Academy Bylaws. The following guidelines apply to experience:

A. At least one of the three years of responsible actuarial experience must fall within the five years preceding the date of application.
B. Teaching experience in actuarial courses may be considered for the three-year requirement. Non-actuarial-specific courses, such as probability and statistics, do not count as actuarial courses for this purpose.
C. Summer, part-time, and other intermittent experience may be considered for the three years of full-time equivalent experience.
D. Experience obtained outside
the United States may be considered for the three-year requirement.

An applicant who has practiced in any other field that is actuarially related may submit information about his or her field to the Academy for review and approval by the Membership Committee and the Executive Committee.

### IV. Additional Requirements for Nonresidents and New Residents

#### A. Nonresidents

1. Nonresidents must certify their familiarity with U.S. laws and practices in their "actuarial practice area" as that term is used in the Qualification Standards for Prescribed Statements of Actuarial Opinion promulgated by the Academy through its Committee on Qualifications.

2. In those cases where familiarity with actuarial practices and principles in the United States cannot be assumed, the Membership Committee and Executive Committee are empowered to call for evidence of such familiarity.

3. Nonresidents must state their need for membership in the Academy.

#### B. New Residents

Residents of the United States for less than three years must satisfy the requirements to which nonresidents are subject.

### V. Certification

Applicants must certify their willingness to comply with the Code of Professional Conduct of the American Academy of Actuaries, the Actuarial Standards of Practice promulgated by the Actuarial Standards Board, and the Qualification Standards for Prescribed Statements of Actuarial Opinion promulgated by the Academy through its Committee on Qualifications. Failure or refusal to provide such a certification is grounds for denial of a membership application.

### VI. Application Process

A. An application should be submitted on an application form that has been developed and approved by the Membership Committee. An approved application form may be obtained from the Washington office, the Schaumburg office, or the Academy website (www.actuary.org).

B. Applications should be typewritten or handwritten legibly.

C. An application fee of $75 must accompany the application. This is a charge for processing the application and will not be applied toward the payment of dues for applicants who are accepted. Application fees paid by applicants who are not accepted will not be refunded.

D. Applications should be addressed to: Membership Manager, American Academy of Actuaries, 475 N. Martingale Rd., Suite 800, Schaumburg, IL 60173, (847) 706-3513 (telephone), (847) 273-8513 (fax).

### VII. Appeal of Rejection of Application

A. Applications are reviewed by the Membership Committee of the Academy and approved by the Executive Committee pursuant to recommendation from the Membership Committee. An applicant shall be advised of any rejection of an application, and said rejection shall be accompanied by a statement of the reason(s) for the rejection.

B. An applicant may appeal any rejection of an application for membership for any reason to the Board of Directors.
1. An appeal of the rejection of an application should be submitted in writing and should specifically state the reason(s) why the determination of the Executive Committee not to grant the application should not be followed. Any evidence that the applicant wishes to submit in support of the appeal should be submitted concurrent with the appeal. Appeals should be postmarked by no later than 60 days after the date of the letter notifying the applicant of the rejection of the membership application.

2. The Board of Directors will consider the appeal at its next regularly scheduled meeting.

3. A decision of the board with respect to an appeal will be furnished to the applicant in writing with a statement of the board's reason(s) for accepting or rejecting the application.

4. Any decision of the Board of Directors with respect to an appeal of the rejection of an application will be final and not subject to further appeal.

5. If a rejected applicant's circumstances change such that the board's reason(s) for rejecting the application are no longer pertinent, the applicant may submit a new application for membership.

**VIII. Inquiries**

Inquiries with respect to the application process or the status of pending applications should be addressed to: Membership Manager, American Academy of Actuaries, 475 N. Martingale Rd., Suite 800, Schaumburg, IL 60173, (847) 706-3513 (telephone), (847) 273-8513 (fax).
B. PRESCRIBED EXAMINATIONS

The Academy Board of Directors, in accordance with Article I, Section 2B of the bylaws, prescribes examinations as follows:

A candidate who has attained by examination the indicated status listed below shall be deemed to have met the education requirements for admission to membership:

1. Associateship in the Casualty Actuarial Society and the Society of Actuaries.
4. Fellowship in the Canadian Institute of Actuaries, the Faculty of Actuaries in Scotland, the Institute of Actuaries of Australia, and the Institute of Actuaries in Great Britain.
6. Membership in the Colegio Nacional de Actuarios.

In those cases where familiarity with actuarial practices and principles in the United States cannot be assumed, the Executive Committee is empowered to call for evidence of such familiarity.
C. DUES

Dues as approved by the Board of Directors are $415 per year for members, payable on January 1. Admission in the first third of the year will require full payment of dues for that year, admission in the second third of the year will require payment of two-thirds of the annual amount, and admission in the last third of the year will require payment of one-third of the annual amount.

Article VII, Section 1 of the bylaws of the Academy provides that, subject to certain provisions with respect to disability and retirement, each member shall pay such dues for each calendar year as may be established by the Board of Directors of the Academy. Under this authority, the Board of Directors has determined that dues may be partially or fully waived for members who (a) are on temporary leave from the work force for any reason, including partial disability, and do not currently anticipate earning more than $15,000 in the upcoming calendar year; (b) are under age 70 and retired from active employment with earned income from any employment not exceeding $15,000 per year; (c) are unemployed and have earned no more than $15,000 from actuarial activities this year; do not currently anticipate earning more than $15,000 from actuarial activities in the upcoming calendar year; and are actively seeking actuarial work or planning to reenter the profession in the future; (d) are totally disabled and anticipate remaining so during the upcoming calendar year; (e) are age 70 or older, or (f) are serving active duty in the U.S. military, Peace Corps, or similar volunteer service. Members eligible for a partial dues waiver will pay $75 for annual dues.

Members granted partial or full waivers receive the Actuarial Update monthly newsletter, Contingencies magazine, Yearbook, annual meeting notices, voting material for proposed Bylaws amendments, and material from the Actuarial Standards Board. The Directory of Actuarial Memberships is available for $30.

To submit a dues waiver form, please access our website at www.actuary.org or contact:

Membership Manager
American Academy of Actuaries
475 N. Martingale Road, Suite 800
Schaumburg, IL 60173
847 706 3513 Telephone
847 273 8513 Facsimile
steinbach@actuary.org e-mail
5. History
A. History

On October 25, 1965, the American Academy of Actuaries was organized as an unincorporated association to serve the actuarial profession in the United States. The corresponding national body in Canada, the Canadian Institute of Actuaries, had been incorporated earlier that same year. For many years, the actuarial profession in North America had consisted of four bodies: the Casualty Actuarial Society, the Conference of Actuaries in Public Practice, the Fraternal Actuarial Association, and the Society of Actuaries. In 1964, the members of those four organizations, recognizing the need for a single body to represent actuaries of all specialties, approved formation of an all-inclusive organization of qualified U.S. actuaries.

On April 29, 1966, the Academy was reorganized as a corporation under the Illinois General Not For Profit Corporation Act. Henry F. Rood, whose presidential address to the Society of Actuaries in 1958 had voiced the first formal proposal for such a national body, was elected president.

In September 1980, the Fraternal Actuarial Association, one of the four founding organizations, closed its doors. Its dissolution indicated that the needs of fraternal actuaries had been increasingly met by other actuarial organizations and that the National Fraternal Congress had increasingly been providing a forum for fraternal actuaries.

In 1990, the Academy Board of Directors established four practice councils to represent the major areas of actuarial practice: casualty, health, life, and pensions. In 1992, the Council on Professionalism was created to oversee the Academy’s responsibility to set and maintain professional standards.

The Financial Reporting Council was formed in 1996 to coordinate all financial reporting activities across practice lines. The council also acts as a liaison to other committees within the profession, to the accounting profession, and to state and federal regulatory bodies, and develops and maintains cooperative relations between actuaries and certified public accountants.

Each council has broad authority to set its own agenda; specific policy initiatives are carried out by Academy committees that report to the councils.

The six councils are headed by vice presidents, who together with the president, president-elect, immediate past president, and secretary-treasurer, constitute the Academy’s Executive Committee.

In 1998, the Academy Board of Directors approved a strategic plan for 1998–2003 and the following new mission statement:

As the organization representing the entire United States actuarial profession, the American Academy of Actuaries serves the public and the actuarial profession both nationally and internationally through:

a. establishing, maintaining, and enforcing high professional standards of actuarial qualification, practice, and conduct,
b. assisting in the formulation of public policy by providing independent and objective information, analysis, and education, and
c. in cooperation with other organizations representing actuaries

- representing and advancing the actuarial profession, and
- increasing the public’s recognition of the actuarial profession’s value.

Membership Requirements

Academy membership is intended to serve as the hallmark of a qualified actuary in the United States.
All U.S. residents who were fellows (or the equivalent) of the four existing bodies on October 25, 1965, were automatically enrolled as Academy members, subject to their indicated assent by paying the dues. There were 1,427 charter members of the American Academy of Actuaries.

The Academy immediately set about making its existence known to other actuaries not eligible as charter members. It was required that any such actuary demonstrate adequate knowledge and skills. Many were admitted by this route, some after passing special proctored examinations. A requirement of seven years of responsible actuarial experience (five years for fellows by examination of the existing bodies) was imposed.

After January 1, 1970, educational requirements were gradually increased until 1976. In January 1976, an amendment to the bylaws created a new nonvoting class of membership designated affiliate of the American Academy of Actuaries. This class consisted of nonmembers of the Academy who became enrolled actuaries under the Employee Retirement Income Security Act of 1974 (ERISA), subject to acceptance of their applications by the Academy. Subsequently, in January 1979, the bylaws were further amended to eliminate the distinction between affiliates and members of the American Academy of Actuaries, as well as to set the experience required at three years of responsible work. Subsequently, the Academy board set the basic educational requirement at that of the associateship level in the Casualty Actuarial Society or the Society of Actuaries or that of qualified member or fellow status in the American Society of Pension Actuaries, that of membership in the Conference of Consulting Actuaries, that required for status as an enrolled actuary under ERISA, or that of Fellowship in the Institute of Actuaries, the Faculty of Actuaries, or the Institute of Actuaries of Australia, or membership in the Colegio Nacional de Actuarios.

Resident aliens and nonresidents of the United States can be admitted to membership if they meet the Academy's educational and experience standards, can demonstrate familiarity with U.S. actuarial practices and, in the case of nonresidents, have a need to perform actuarial duties in the United States.

### Professional Conduct

In December 1965, the Guides to Professional Conduct were first issued. Over time, these were revised and supplemented by Interpretative Opinions. Together, the Guides and Opinions formed a core of ethical guidance for members in all phases of their professional lives. In September 1991, the Board of Directors approved a new set of ethical precepts as recommended by the Council of Presidents Task Force on the Code of Professional Conduct. The intent of the task force was to seek adoption of a common code of ethical tenets by all organizations representing actuaries in North America. The Academy was the first body to adopt the Code, which became effective January 1, 1992 and was most recently amended effective January 1, 2001.

The Code of Professional Conduct includes Precepts and Annotations that require a high standard of ethics and responsible performance expected of professionals. Specifically, the Precepts require actuaries to abide by standards of practice, as promulgated by the Actuarial Standards Board, and by qualification standards, adopted by the American Academy of Actuaries. The Code has been adopted in substantially similar form by all the professional societies representing actuaries in the United States and Canada.

### Counseling and Discipline

Since its inception, the Academy has recognized the need for a disciplinary procedure to enforce standards of conduct and to pro-
vide the public and fellow actuaries with an avenue to express grievances regarding the professional activities of Academy members. For many years, the responsibility for handling complaints, investigating charges, and proposing disciplinary measures rested with the Committee on Discipline. Largely because duplications of effort by the disciplinary committees of the various actuarial organizations frustrated effective discipline, and also as a result of the adoption of a common Code of Professional Conduct by all organizations representing actuaries, in 1991 the members of the Academy voted to amend the bylaws and create the Actuarial Board for Counseling and Discipline (ABCD).

The ABCD is a separate entity supported by the Academy staff. It investigates apparent violations of the Code of Conduct by members of any organization representing actuaries that delegates investigative authority to the ABCD. The Academy and other organizations have delegated such authority. For those activities that in the opinion of the ABCD do not merit public discipline, or in response to actuaries' requests for guidance, actuaries will be counseled privately and provided guidance in complying with the requirements of the Code of Professional Conduct, qualification standards, and standards of practice.

Standards of Practice

The Academy commenced issuing standards of practice, initially called recommendations, in 1973. These recommendations were supplemented by interpretations. A major step forward in the development and management of standards of practice was taken in 1985 with the creation of the Interim Actuarial Standards Board (IASB). The IASB served as the prototype for a permanent Actuarial Standards Board (ASB), which was created in June 1988 by a bylaw amendment vote.

The ASB is a separate entity supported by Academy staff. It has sole responsibility to initiate, develop, and adopt new standards. Standards of practice include statements on the techniques, applications, procedures, and methods that have been generally accepted by the profession. The Code of Professional Conduct requires actuaries to be knowledgeable about and abide by these pronouncements.

Legal Recognition

In December 1966, the National Association of Insurance Commissioners (NAIC) adopted a resolution supporting recognized standards of actuarial competence and conduct and urging each commissioner to support the efforts of the Academy to gain official recognition. All states now have regulations that recognize Academy membership as qualification for signing insurance company annual statements; some have corresponding recognition for public employee retirement systems. The first state to act was Indiana, which provided for certification of actuaries by a state board in a 1968 law. The general pattern followed in other states has been issuance of administrative orders or regulations.

In 1975, the responsibility expected of actuaries was spelled out by a new requirement that the actuary who signs a life insurance company annual statement must express an opinion on the actuarial elements, including an opinion on the adequacy of reserves. The Academy responded with recommendations to the profession on how this responsibility should be met. In 1980, a similar requirement was added to the property and liability insurance company annual statement, except that the requirement was at the discretion of the domiciliary insurance commissioner. Again the Academy responded with appropriate recommendations to the profession.

In 1990, at the urging of the Academy, the NAIC eliminated the discretion of individual states. As a result, virtually all annual statements from property/casualty com-
panies in the United States must be accom-
panied by a loss reserve opinion from a
“qualified actuary,” defined as a member of
the American Academy of Actuaries
approved by the Casualty Practice Council,
or as a member of the Casualty Actuarial
Society, or otherwise approved by the
domiciliary commissioner.
In 1983, a statement of actuarial opinion
similar to those cited above was added to
the annual statement blanks for both health
service corporations and health mainte-
nance organizations; it was supported by
recommendations.
In the pension field, the 1974 ERISA leg-
islation established extensive and specific
standards for actuarial reports, for disclo-
sure and fiduciary relationships, and for the
qualifications of actuaries in pension work.

Expressions of
Professional Opinion

The first major influence of the Academy
beyond the boundaries of the profession
was in its response, beginning in 1972, to
the audit guide for stock life insurance
companies by the American Institute of
Certified Public Accountants. This co-oper-
ative endeavor has led to regular and close
association between the actuarial and
accounting professions.
The Academy has also become increas-
ingly active in dealing with various govern-
ment entities on a variety of public issues.
In 1982, the Board of Directors adopted
Guidelines for Making Public Statements in
connection with this activity. The guide-
lines were updated most recently in 1997 to
address public statements made in an inter-
national context.

Joint Activities of
Actuarial Organizations

The North American actuarial bodies
cooperate in many ways, largely through
joint sponsorship of actuarial examinations
and the work of joint committees. In
December 1972, the Academy was instru-
mental in launching an informal body, the
Council of Presidents, to foster even greater
understanding and common purpose. In
1976, the actuarial organizations jointly
formed the Actuarial Education and
Research Fund to foster the growth of basic
actuarial research throughout the profes-
sion and to arrange for necessary financing
of such research.

Administration

At the outset, the Academy shared adminis-
trative facilities with the Society of
Actuaries in Chicago (since moved to
Schaumburg, III.). A major step to increase
the value and influence of the Academy was
taken in January 1976 when the Academy
became headquartered in Washington, D.C.
The Washington office is responsible for all
staff functions other than those related to
the membership database, which remain in
Schaumburg.

Meetings

Historically, the Academy has held its annu-
al meetings in the fall of the year, in con-
junction with the annual meeting of one of
its founding organizations. In October
2002 the Academy will hold its annual
meeting in conjunction with the American
Society of Pension Actuaries in
Washington, D.C. In the spring, the
Academy will hold its second annual
Washington Forum. The Forum is a high
level public policy briefing on key issues,
featuring prominent figures from the pub-
lic policy community.
Since 1976, the Academy and the
Conference of Consulting Actuaries have
cosponsored the Enrolled Actuaries
Meeting. In 1989, the Society of Actuaries
was added as a cosponsor. These meetings
are a primary means of continuing educa-
tion for pension actuaries across the nation.
The annual Casualty Loss Reserve Seminar,
sponsored jointly by the Academy, the
Casualty Actuarial Society and the
Conference of Consulting Actuaries, began in 1981. The seminars are of particular interest to property/casualty actuaries and loss reserve specialists. In 2000, the Academy offered its first seminar addressing U.S.-specific practice for life and health valuation actuaries. In 2001, the Academy jointly-sponsored, with the Society of Actuaries, a seminar for illustration actuaries.

The Academy regularly sponsors Capitol Hill briefings for congressional staff, policymakers, public policy analysts, the media, and members, providing an actuarial perspective on key issues. In 2001, the Academy held briefings on social security reform, prescription drug coverage under Medicare, pension policy and the principles of life insurance.

Publications

The Academy continues to expand the number and scope of its publications. Each year, it publishes this yearbook, which includes lists of committees, the Board of Directors and Academy staff, in addition to such information as bylaws and requirements for application for admission to the organization. In addition, the Academy publishes a leadership manual specifically for volunteers, giving them all the information they need to manage practice councils, committees, or conduct other Academy business.

Each month the Academy publishes the Actuarial Update and several enclosures, including the “ASB Boxscore” (started in 1987), a status report on various standards projects and Actuarial Standards Board news. In addition, the Enrolled Actuaries Report, a newsletter focusing on the concerns of pension actuaries, is published four times during the year.

The Academy's publications include the bimonthly magazine Contingencies and a combined professionalism annual report for the ASB, the Actuarial Board for Counseling and Discipline, and the Committee on Qualifications. The Academy also produces public policy monographs and issue briefs based on the work of Academy committees or work groups formed to address specific key issues.

The Academy website (www.actuary.org) was opened to the public in 1997 and redesigned in 2001. The new website is intended to be the resource of first resort for Academy members and non-members alike to keep track of all Academy activities. Actuarial Standards of Practice are accessible via the ASB section of the site. The Actuarial Board for Counseling and Discipline’s separate site (www.abcd-board.org) is also maintained with Academy staff support.

Contingencies has its own website—www.contingencies.org—and is an associate of Amazon.com, the Internet retailer. The Academy receives a portion of the proceeds from books purchased through the Contingencies Website, which it shares with the CAS/SOA Joint Committee on Minority Recruiting.
## B. Past Officers

<table>
<thead>
<tr>
<th>Years</th>
<th>President</th>
<th>President-Elect</th>
<th>Secretary</th>
<th>Treasurer</th>
<th>Vice Presidents</th>
</tr>
</thead>
<tbody>
<tr>
<td>1965–66</td>
<td>Henry F. Rood</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Thomas E. Murrin</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>George M. Bryce</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Robert E. Bruce</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Frank J. Gadient</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Laurence H. Longley-Cook</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>John H. Miller</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>H. Raymond Strong</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1966–67</td>
<td>Thomas E. Murrin</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>John H. Miller</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Norton E. Masterson</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Robert E. Bruce</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Frank J. Gadient</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Laurence H. Longley-Cook</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>H. Raymond Strong</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Andrew C. Webster</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1967–68</td>
<td>John H. Miller</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wendell Milliman</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Norton E. Masterson</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Robert E. Bruce</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Edward D. Brown Jr.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>William J. Leslie Jr.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Frank J. Gadient</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Laurence H. Longley-Cook</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>John H. Miller</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>H. Raymond Strong</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Robert J. Myers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1969–70</td>
<td>Walter L. Rugland</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>H. Raymond Strong</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Norton E. Masterson</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Robert E. Bruce</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Paul T. Rotter</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Harold W. Schloss</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Donald F. Campbell</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Robert J. Myers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1970–71</td>
<td>H. Raymond Strong</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Robert J. Myers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>William A. Halvorson</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Robert E. Bruce</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Donald F. Campbell</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>John K. Dyer</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Harold E. Curry</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Murton D. Miller</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1971–72</td>
<td>Robert J. Myers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Morton D. Miller</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>William A. Halvorson</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Dale R. Gustafson</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Harold E. Curry</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ernest J. Moorhead</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Robert E. Bruce</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Julius Vogel</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1972–73</td>
<td>Murton D. Miller</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ernest J. Moorhead</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>William A. Halvorson</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Dale R. Gustafson</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Robert E. Bruce</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Julius Vogel</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reuben I. Jacobson</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Daniel J. McNamara</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1973–74</td>
<td>Ernest J. Moorhead</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Daniel J. McNamara</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Walter S. Rugland</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Dale R. Gustafson</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>William A. Halvorson</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reuben I. Jacobson</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Thomas P. Bowles Jr.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Richard L. Johe</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1974–75</td>
<td>Daniel J. McNamara</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Thomas P. Bowles Jr.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Walter S. Rugland</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Dale R. Gustafson</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Richard L. Johe</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Robert C. Winters</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Edwin F. Boynton</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Kenneth H. Ross</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
1975-76
Thomas P. Bowles Jr.
Robert C. Winters
Walter S. Rugland
James O. Webb
Edwin F. Boynton
Kenneth H. Ross
Dale R. Gustafson
M. Stanley Hughey

President
President-Elect
Secretary
Treasurer
Vice Presidents

1976-77
Robert C. Winters
Edwin F. Boynton
Ralph E. Edwards
James O. Webb
Dale R. Gustafson
M. Stanley Hughey
Ronald L. Bornhuetter
Louis Garfin

1977-78
Edwin F. Boynton
Dale R. Gustafson
Dwight K. Bartlett III
James O. Webb
Ronald L. Bornhuetter
Louis Garfin
Preston C. Bassett
Charles C. Hewitt Jr.

President
President-Elect
Secretary
Treasurer
Vice Presidents

1978-79
Dale R. Gustafson
Dale R. Gustafson
Ronald L. Bornhuetter
Dwight K. Bartlett III
Kevin M. Ryan
Preston C. Basset
Charles C. Hewitt Jr.
Herbert L. DePrenger
Walter L. Grace

1979-80
Ronald L. Bornhuetter
Walter L. Grace
Charles Barry H. Watson
Kevin M. Ryan
Mary H. Adams
Herbert L. DePrenger
Richard S. Robertson
P. Adger Williams

President
President-Elect
Secretary
Treasurer
Vice Presidents

1980-81
Walter L. Grace
William A. Halvorson
Charles Barry H. Watson
Kevin M. Ryan
Richard S. Robertson
P. Adger Williams
A. Norman Crowder III
Bartley L. Munson

1981-82
William A. Halvorson
P. Adger Williams
Carl R. Ohman
W. James MacGinnitie
A. Norman Crowder III
Bartley L. Munson
David R. Carpenter
William A. Ferguson

President
President-Elect
Secretary
Treasurer
Vice Presidents

1982-83
P. Adger Williams
A. Norman Crowder III
Carl R. Ohman
W. James MacGinnitie
David R. Carpenter
William A. Ferguson
John A. Fibiger
Walter S. Rugland

1983-84
A. Norman Crowder III
M. Stanley Hughey
Carl R. Ohman
Burton D. Jay
John A. Fibiger
Walter S. Rugland
David G. Hartman
David M. Reade

President
President-Elect
Secretary
Treasurer
Vice Presidents

1984-85
M. Stanley Hughey
Bartley L. Munson
Robert H. Dobson
Burton D. Jay
David G. Hartman
David M. Reade
Harold J. Brownlee
Carl R. Ohman

1985-86
M. Stanley Hughey
Bartley L. Munson
Robert H. Dobson
Burton D. Jay
David G. Hartman
David M. Reade
Harold J. Brownlee
Carl R. Ohman

2002 YEARBOOK 105
1985–86
Bartley L. Munson
President
Preston C. Bassett
President-Elect
Robert H. Dobson
Secretary
Burton D. Jay
Treasurer
Harold J. Brownlee
Vice Presidents
W. James MacGinnitie
Carl R. Ohman

1986–87
Preston C. Bassett
President
John A. Fibiger
President-Elect
Robert H. Dobson
Secretary
Daniel J. McCarthy
Treasurer
Edward H. Friend
Vice Presidents
W. James MacGinnitie
Burton D. Jay
Mavis A. Walters

1987–88
John A. Fibiger
President
Virgil D. Wagner
President-Elect
Edward H. Friend
Secretary
W. James MacGinnitie
Treasurer
W. James MacGinnitie
Vice Presidents
Burton D. Jay
Virgil D. Wagner

1988–89
1989–90
President-Elect
W. James MacGinnitie
Secretary
Virgil D. Wagner
Treasurer
Daniel J. McCarthy
Vice Presidents
Phillip N. Ben-Zvi
Burton D. Jay
Harper L. Garrett Jr.

1990–91
Harold J. Brownlee
President
Mavis A. Walters
President-Elect
Harry D. Garber
Secretary
Richard H. Snader
Treasurer
Thomas D. Levy
Vice Presidents
Robert H. Dobson
Harry D. Garber

1991–92
Harry D. Garber
President
John H. Harding
President-Elect
Howard J. Bolnick
Thomas D. Levy
Secretary
R. Stephen Radcliffe
Treasurer
Richard H. Snader
Vice Presidents
Michael A. Walters
Larry Zimpleman

1992–93
John H. Harding
President
David G. Hartman
President-Elect
James R. Swenson
Secretary-Treasurer
Howard J. Bolnick
Vice Presidents
Stephen P. Lowe
Walter N. Miller

1993–94
David G. Hartman
President
Charles A. Bryan
President-Elect
James R. Swenson
Secretary-Treasurer
Howard J. Bolnick
Vice Presidents
Howard Fluhr
Paul F. Kolkman

1994–95
Charles A. Bryan
President
Jack M. Turnquist
President-Elect
James R. Swenson
Secretary-Treasurer
John M. Bertko
Vice Presidents
Howard Fluhr
David P. Flynn
Paul F. Kolkman

106 American Academy of Actuaries
1995–96
Jack M. Turnquist
Larry Zimpleman
Stephen R. Kern
Vince Amoroso
John M. Bertko
Arnold A. Dicke
David P. Flynn
Charles Barry H. Watson
President
President-Elect
Secretary-Treasurer
Vice Presidents

1996–97
Larry Zimpleman
Allan M. Kaufman
Stephen R. Kern
Vince Amoroso
William F. Bluhm
Arnold A. Dicke
Ken W. Hartwell
Barbara L. Snyder
Michael L. Toothman

1997–98
Allan M. Kaufman
Richard S. Robertson
Stephen R. Kern
William F. Bluhm
Ken W. Hartwell
Lawrence A. Johansen
Kenneth A. Steiner
Michael L. Toothman
Robert E. Wilcox
President
President-Elect
Secretary-Treasurer
Vice Presidents

1998–99
Richard S. Robertson
Stephen R. Kern
James F. Reiskytl
Robert A. Anker
Lawrence A. Johansen
Daniel J. McCarthy
James J. Murphy
Kenneth A. Steiner
Robert E. Wilcox

1999–2000
Stephen R. Kern
Lawrence A. Johansen
James F. Reiskytl
Robert A. Anker
Barbara J. Lautzenheiser
James J. Murphy
Donna C. Novak
James E. Turpin
President
President-Elect
Secretary-Treasurer
Vice Presidents

2000–2001
Lawrence A. Johansen
Daniel J. McCarthy
James F. Reiskytl
Henry Knowlton
Barbara J. Lautzenheiser
Steven G. Lehmann
Donna C. Novak
Geoffrey C. Sandler
James E. Turpin
C. Jarvis Farley Service Award

In 1991, the Academy established a perpetual award to honor the memory of one of its longtime, indefatigable volunteers. Jarvis Farley was a charter member of the Academy and an invaluable resource for Academy staff and the entire actuarial profession. His untiring volunteer work for the Academy epitomized the caliber of service to be honored by this award. He began serving on Academy committees in 1972 and continued until his death in 1991.

The Academy Executive Committee each year selects a Jarvis Farley Service Award recipient. The recipients are announced and honored at the Academy’s annual meeting. Each honoree receives an engraved pewter Paul Revere bowl, custom designed by Kirk Stieff. A larger, permanent bowl, engraved with the name of each recipient, is displayed at the Academy.

Jarvis Farley Service Award Recipients

<table>
<thead>
<tr>
<th>Year</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992</td>
<td>Mary Hardiman Adams</td>
</tr>
<tr>
<td>1993</td>
<td>Jerome A. Scheibl</td>
</tr>
<tr>
<td>1994</td>
<td>Douglas C. Borton</td>
</tr>
<tr>
<td>1996</td>
<td>Charles Barry H. Watson</td>
</tr>
<tr>
<td>1997</td>
<td>James C. Hickman</td>
</tr>
<tr>
<td>1998</td>
<td>Edward E. Burrows</td>
</tr>
<tr>
<td>1999</td>
<td>Henry K. Knowlton</td>
</tr>
<tr>
<td>2000</td>
<td>Daphne D. Bartlett</td>
</tr>
<tr>
<td>2001</td>
<td>Jack M. Turnquist</td>
</tr>
</tbody>
</table>
D. ROBERT J. MYERS PUBLIC SERVICE AWARD

In 1994, the Academy, through its Committee on Actuarial Public Service, established the Robert J. Myers Public Service Award to recognize the extraordinary lifelong public service of Robert J. Myers, who was chief actuary for the Social Security Administration from 1947 to 1970. The exceptional career of Myers was recognized with the public announcement of the award at the Academy’s annual meeting in Washington, D.C., on Sept. 28, 1994. Myers was instrumental in the design and funding of the Social Security system and worked for the Social Security Administration for some 35 years. Although political pressure often conflicted with his professional responsibilities, Myers never veered from a path of professional integrity. He continues to command respect within and outside the profession, and he remains an inspiration to all practicing actuaries.

Recipients of the Robert J. Myers Public Service Award are selected through the Academy’s Committee on Actuarial Public Service on the basis of their contributions to the common good through service to the government or other organizations in the public sphere. While honoring individual recipients, the award also calls attention to the significant benefits the general public receives from the actuarial profession.

A specially designed medal was presented to Myers at the award’s inauguration. The permanent medal is mounted on a custom-designed pedestal and displayed at the Academy office in Washington. Recipients receive engraved medals, and their names are engraved on the base of the permanent display at the Academy.

Robert J. Myers Public Service Award Recipients

<table>
<thead>
<tr>
<th>Year</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>John O. Montgomery</td>
</tr>
<tr>
<td>1996</td>
<td>Roland E. (Guy) King</td>
</tr>
<tr>
<td>1997</td>
<td>James B. Gardiner</td>
</tr>
<tr>
<td>1998</td>
<td>Dwight K. Bartlett III</td>
</tr>
<tr>
<td>1999</td>
<td>Robert A. Bailey</td>
</tr>
<tr>
<td>2000</td>
<td>Harry C. Ballantyne</td>
</tr>
<tr>
<td>2001</td>
<td>Robert J. Callahan</td>
</tr>
</tbody>
</table>
6. Actuarial Organizations
A. ACTUARIAL ORGANIZATIONS

ACTUARIAL EDUCATION AND RESEARCH FUND
Executive Director: Curtis E. Huntington
475 N. Martingale Road, Suite 800
Schaumburg, IL 60173-2226
Tel (847) 706-3600
Facsimile (847) 706-3599
Chairperson: Alan J. Stonewall
Secretary: William J. Falk
Treasurer: Stuart Klugman
Directors
Douglas C. Borton
Helene Pouliot
Olivia Sanchez Garcia
Harold J. Ingraham, Jr.
Gary R. Josephson
Henry K. Knowlton
Robert S. Miccolis
Mary Adams
Robert W. Wilson
Curtis E. Huntington
Business Manager: Judith E. Yore

AMERICAN SOCIETY OF PENSION ACTUARIES
Executive Director: Brian Graff
4245 N. Fairfax Drive, Suite 750
Arlington, VA 22203
Tel (703) 516-9300
Facsimile (703) 516-9308
Website http://www.aspa.org/
President: Craig Hoffman
President-Elect: Scott D. Miller
Vice Presidents
Gwen O’Connell
Sarah Simoneaux
Chris Stroud
Secretary: Bruce Ashton
Treasurer: Stephen H. Rosen
Immediate Past President: George Taylor
Ex Officio Member: Stephen Dobrow
Ex Officio Member: Curtis E. Huntington
Administrative Director: Jane Grimm

CANADIAN INSTITUTE OF ACTUARIES
Executive Director: Rick Neugebauer
Constitution Square
360 Albert Street, Suite 820
Ottawa, ON Canada K1R 7X7
Tel (613) 236-8196
Facsimile (613) 233-4552
Website http://www.actuaries.ca/

President: Jean-Louis Masse
President-Elect: A. David Pelletier
Immediate Past President: David J. Oakden
Secretary/Treasurer: Josephine E. Marks

CASUALTY ACTUARIAL SOCIETY
Executive Director: Cynthia Ziegler
1100 N. Glebe Road, Suite 600
Arlington, VA 22201
Tel (703) 276-3100
Facsimile (703) 276-3108
Website http://www.casact.org/
President: Robert F. Conger
President Elect: Gail M. Ross
Vice Presidents
Shelly Rosenberg (Administration)
Mary Frances Miller (Admissions)
Roger A. Schultz (Continuing Ed.)
LeRoy A. Boison (International)
Christopher S. Carlson (Prog. & Comm.)
Gary R. Josephson (Research & Dev.)
Assistant Secretary: Joanne Spalla

CONFERENCE OF CONSULTING ACTUARIES
Executive Director: Rita K. DeGraaf
1110 West Lake Cook Road, Suite 235
Buffalo Grove, IL 60089-1968
Tel (847) 419-9090
Facsimile (847) 419-9091
E-mail cca@ccactuaries.org
Website www.ccaactuaries.org
President: Kenneth A. Kent
President-Elect: Stanley C. Samples
Vice Presidents
Janet M. Carstens
Harold G. Ingraham, Jr.
Frederick W. Kilbourne
Margaret Tiller Sherwood
Thomas S. Terry
Secretary: Thomas H. Shelby, III
Treasurer: Dale H. Yamamoto
Past Presidents
Robert J. Rietz
Michael L. Toothman
Elected
William F. Bluhm
Kenneth G. Buffin
Charles F. Cook
David N. Cook
Richard J. Fallquist
Pamela S. Morris
John P. Parks

2002 YEARBOOK 111
B. ACTUARIAL CLUBS

Correspondence to the local clubs should be directed to the secretary at the address listed on these pages. If a secretary is not listed, the address shown is that of the president. Addresses for club presidents may be found in the Directory of Actuarial Memberships.

**ADIRONDACK ACTUARIES CLUB**
Michelle Syrotynski, President
Vicki Mazzie, President-Elect
Bill Carmello, Vice President (Ed. and PR)
Judy Guilbo, Vice President (Mtg. Admin.)
Tedd Johnson, Treasurer
Frank Horn, Secretary
Box 7178
Albany, N.Y. 12224
Website: http://sites.netscape.net/adirondackac/homepage.html

**ARIZONA ACTUARIAL CLUB**
Ken Levine, President
Tom Snook, Vice President
Andy Riboudo, Secretary/Treasurer
American Equity Insurance Co.
7676 E Pinnacle Peak Road
Scottsdale, Ariz. 85255
Phone: (480) 563-2858
Fax: (480) 563-2911
E-mail: aribaudoa@aeic.com

**BALTIMORE ACTUARIES CLUB**
Clare McFarland, President
Sue E. Todhunter, Vice-President
Frank O'Neill, Secretary/Treasurer
The Baltimore Life Companies
10075 Red Run Blvd.
Owings Mill, Md. 21117-4871
Phone: (410) 581-6600 ext. 3115

**ACTUARIES CLUB OF BOSTON**
Christopher P. Mordarski, President
Donna M. Burns, Secretary
John Hancock
200 Clarendon Suite B-7
Boston, Mass. 02117
Phone: (617) 572-4812
Fax: (617) 572-9110

**CASUALTY ACTUARIES OF THE BAY AREA (CABA)**
Randy Naylor, President
Esther Becker, Secretary-Treasurer
AIG
121 Spear Street
San Francisco, Calif. 94105
Phone: (415) 836-2857
E-mail: esther.becker@aig.com

**CASUALTY ACTUARIES OF DESERT STATES (CADS)**
Andrew Riboudo, President
Kevin G. Donovan, Vice-President
James A. Hall, III, Secretary-Treasurer
GPW & Associates, Inc.
2700 N. Third Street, Suite 2000
Phoenix, Ariz. 85004
Phone: (602) 200-6919
Fax: (602) 200-6901
E-mail: jhall@gpwa.com

**CASUALTY ACTUARIAL SOCIETY OF THE MID-ATLANTIC REGION**
Michele Yeagley, Secretary/Treasurer
Phone: (215) 256-5403
E-mail: myeagley@harleysvillegroup.com

**CASUALTY ACTUARIES OF NEW ENGLAND**
Kristen Albright, President
Kathy Barnes, President Elect
Betsy DePaulo, VP Education
Betsy Branagan, VP Programs
Bill Scully, VP Administration
Automobile Insurers Bureau of Mass.
101 Arch Street
Boston, Mass. 02110
Phone: (617) 439-4542 ext. 726
Fax: (617) 439-6789
E-mail: wscully@aib.org

---

2002 YEARBOOK 113
CASSUALTY ACTUARIES OF THE NORTHWEST (CANW)
Tammy Dye, President
Scott Alexander, Vice President
SAFECO Insurance Company
SAFECO Plaza
Seattle, Wash. 98185-0001
Phone: (206) 545-3164
Fax: (206) 545-6466
E-mail: scoale@safeco.com

CENTRAL ILLINOIS ACTUARIAL CLUB
Sue Reitz, President
Kurt Ozier, President Elect
Matthew Ramirez, Southern Vice President
Randy Peterson, Northern Vice President
Daryl Brune, Secretary/Treasurer
Country Insurance and Financial Services
1711 GE Road
Bloomington, Ill. 61704
Phone: (309) 821-2157
Fax: (309) 820-5242
E-mail: ary1.brune@countryfinancial.com

CENTRAL STATES ACTUARIAL FORUM
Margaret Tiller Sherwood, President
Jeremy Benson, Vice President
Al Hapke, Secretary
Michael Brannon, Treasurer
Great West Casualty Company
1100 West 29th Street, Box 277
South Sioux City, Nev. 68776
Phone: (402) 494-7372
Fax: (402) 494-7480
E-mail: m.brannon@gwccnet.com

CHICAGO ACTUARIAL ASSOCIATION
Sarah J. Hamid, President
Narayan Shankar, President-Elect
Vincent Tsang, Vice President-Programs
Pat Pruitt, Vice President-Education
Suzanne Wille, VP-Public Relations
Alexander Tava, Treasurer
Bob Aronsohn, Secretary/Webmaster
BlueCross BlueShield of Illinois
300 E. Randolph Street, 23rd floor
Chicago, Ill. 60601-5099
Phone: (312) 653-5677
Fax: (312) 938-8538
E-mail: actuarial@altavista.com
Website:
http://ChicagoActuarialAssociation.org

CINCINNATI ACTUARIAL CLUB
D. Todd Henderson, President
Jeff Morris, Vice President
Harold V. Lyons, Jr., Secretary/Treasurer
Western-Southern Life
400 Broadway
Cincinnati, Ohio 45202
Phone: (513) 629-1581
Fax: (513) 629-1282
E-mail: harry.lyons@westernsouthernlife.com

COLUMBUS ACTUARIAL CLUB
Lynne Pasi, President
Sheila Persall, Vice President
Jim Alford, Secretary/Treasurer

ACTUARIES CLUB OF ERIE, PENNSYLVANIA
Robert H. Dreyer, Secretary/Treasurer
Erie Family Life Insurance Company
100 Erie Insurance Place
P.O. Box 1699
Erie, Pa. 16530-9989
Phone: (814) 870-2172
Fax: (814) 870-3285
E-mail: Robert.Dreyer@ERIEinsurance.com

ACTUARIES CLUB OF HARTFORD
Linda Lankowski, President
Dan Guilbert, Secretary
The Hartford Life Ins. Cos.
200 Hopmeadow Street
Simsbury, Conn. 06089
Phone: (860) 843-6473
Fax: (860) 843-3550
E-mail: Dan.Guilbert@HartfordLife.com

ACTUARIES CLUB OF INDIANAPOLIS
Mark Alberts, President
James M. Kellett, Vice President
Kevin Murphy, Program Committee
Rob Stone, Secretary/Treasurer
Milliman USA
111 Monument Circle, Suite 4400
Indianapolis, Ind. 45204
Phone: (317) 639-1000 ext. 231
Fax: (317) 639-1001
E-mail: rob.stone@milliman.com
IOWA ACTUARIES CLUB
Carolyn Eddy, President
Rhonda Elming, VP & Program Chair
Chuck Smith, Secretary/Treasurer
Principal Financial
711 High Street, K-004-W30
Des Moines, IA 50392-5532
Phone: (515) 247-5278
Fax: (515) 362-2308
Website: http://www.iowaactuariesclub.org

KANSAS CITY ACTUARIAL CLUB
Rui Guo, President
Leon Langlitz, Vice President
Joe Nichols, Secretary/Treasurer
Defined Benefits Inc.
5630 North Lake Drive
Kansas City, Mo. 64118
Phone: (816) 454-2454
Fax: (816) 454-6784
E-mail: joe@dbplans.com

KOREAN AMERICAN ACTUARIAL SOCIETY
Thomas Chong, President
William M. Mercer, Inc.
1166 Avenue of the Americas
New York, N.Y. 10036
Phone: (212) 345-7349
Fax: (212) 345-2365
E-mail: thomas.chong@us.wmmercer.com
Website: http://www.koreanactuary.org

LITTLE ROCK ACTUARIAL CLUB
Graham R. Sutherlin, President
Brian West, Secretary/Treasurer
James Juillerat, Vice President
Arkansas Blue Cross Blue Shield
320 W Capitol Avenue, Suite 840
Little Rock, Ark. 72201
Phone: (501) 378-2952
Fax: (501) 378-2984
E-mail: JAJuillerat@ArkBlueCross.com

LONDON ACTUARIAL CLUB
Jeff Barnes, Co-Chairperson
Phone: (519) 435-4511
E-mail: jeff.barnes@londonlife.com
Bruce Jones, Co-Chairperson
Phone: (519) 661-2111 ext. 86420
E-mail: jones@stats.uwo.ca

MICHIGAN ACTUARIAL SOCIETY
Stephen Kellar, President
Donald Walker, Vice-President
Brian Morris, Secretary
Theodore Panourgias, Treasurer
Blue Cross/Blue Shield of MI
600 Lafayette East, Suite 1850
Detroit, Mich. 48226-2998
Phone: (313) 225-0494
Fax: (313) 225-8153
E-mail: TAPanourgias@bcbsm.com

MIDWESTERN ACTUARIAL FORUM
Brian Poole, President
Bonnie Gill, Vice-President
Kenneth Fikes, Education Officer
Randall Brubaker, Secretary/Treasurer
Aon Re Services Inc.
123 North Wacker Drive
Chicago, Ill. 60606
Phone: (312) 701-1845
Fax: (312) 701-2174
E-mail: Randall_Brubaker@aon.com

NASHVILLE ACTUARIAL CLUB
Sam W. Talley, Secretary/Treasurer
American General Life & Accident
635 American General Center
Mail Code 4508
Nashville, Tenn. 37250
Phone: (615) 749-1778
Fax: (615) 749-1501
E-mail: samuel_talley@agla.com
NEBRASKA ACTUARIES CLUB
Scott Herchenbach, President
Marv Ehly, Secretary/Treasurer
Scott Herchenbach
Mutual Of Omaha
Mutual of Omaha Plaza
Omaha, Neb. 68175
Phone: (402) 351-6324
Fax: (402) 351-2176
E-mail: scott.herchenbach@mutualofomaha.com
Website: www.n-a-c.org

OKLAHOMA ACTUARIES CLUB
Joy McDonald, Secretary/Treasurer
American Fidelity Assurance Co.
2000 Classen Center, P.O. Box 25523
Oklahoma City, Okla. 73125
Phone: (405) 523-5673
Fax: (405) 523-5446
E-mail: joy.mcdonald@af.group.com

ACTUARIES CLUB OF PHILADELPHIA
Diana L. Goodman, President
Stuart Alden, Vice President
Stephen A. Steinberg, Secretary
Steeve Jean, Treasurer
E-mail: ActuariesClub@aol.com
Website: http://members.aol.com/ActPhilly

PORTLAND ACTUARIAL CLUB
Pat Kahle, President
Scott Fitzpatrick, Vice President
Michelle Rathbun, Secretary/Treasurer
William M. Mercer, Inc.
111 SW Fifth Avenue, Suite 2800
Portland, Ore. 97204-3693
Phone: (503) 273-5984
Fax: (503) 273-5999

LE CLUB DES ACTUARIES DE QUEBEC
Rene Roy, President
Donald Cyr, Vice-President
Claire Bilodeau, Tresoriere
Richard Fecteau, Secretaire
La Capitale assurances de personnes inc.
625, rue St-Amable
Quebec (Quebec)
G1R 2G5
Phone: (418) 646-3830
Fax: (418) 644-4352
E-mail: courriel rfecteau@fin.lacapitale.com

SALT LAKE CITY ACTUARIAL CLUB
Lorraine Mayne, President
Milliman & Robertson, Inc.
Salt Lake City, Utah
Phone: (801) 924-1390
Fax: (801) 924-1395

SEATTLE ACTUARIAL CLUB
Pat Achey, President
Ross Laursen, Secretary
Watson Wyatt Worldwide
701 Fifth Avenue, Suite 2100
Seattle, Wash. 98104)
Phone: (206) 812-7222
Fax: (206) 447-8867
E-mail: linda_colton@watsonwyatt.com

SOUTHEASTERN ACTUARIES CONFERENCE
Robert C. Crompton, President
Lonnie A. Etheridge, Secretary/Treasurer
Professional Insurance Company
6601 Six Forks Road
Raleigh N.C. 27615
Phone: (919) 870-2718
Fax: (919) 870-2734
E-mail: lonnie.etheridge@gecapital.com
Website: http://www.actuary.com/seac

SOUTHERN CALIFORNIA CASUALTY ACTUARIAL CLUB (SCCAC)
Donald K. Rainey, President
Terry D. Gusler, Vice President
Michael R. Rozema, Secretary-Treasurer
KPMG LLP
21700 Oxnard Street, Suite 1200
Woodland Hills, Calif. 91367
Phone: (818) 227-6942
Fax: (818) 702-0602
E-mail: mrozema@kpmg.com
**Southwest Actuarial Forum (SWAF)**

John Butcher, President  
Chuck Pearl, Vice-President  
Mark Phillips, Education Officer  
Bill Jones, College Relations Officer  
Susie Guven, Secretary-Treasurer  

United Services Automobile Association  
9800 Fredericksburg Road  
San Antonio, Texas 78288  
Phone: (210) 498-2197  
Fax: (210) 498-0462  
E-mail: susie.guven@usaa.com

**Tri-State: Actuarial Club of Indiana, Kentucky, and Ohio**

Craig Hanford, President  
Jim McWilliams, Secretary/Treasurer  
Milliman USA  
111 Monument Circle, Suite 4400  
Indianapolis, Ind. 46204-5144  
Phone: (317) 639-1000  
Fax: (317) 639-1001  
E-mail: jim.mcwilliams@milliman.com

**Actuaries Club of the Southwest**

Karen Kirby, President  
David Whittenmore, Vice President  
Mike Boesen, Secretary/Treasurer  

American General Life Companies  
2727A Allen Parkway, 5-64  
Houston, Texas 77019  
Phone: (713) 831-3284  
Fax: (713) 831-8016  
E-mail: mboesen@boetger.com

**Vermont Enrolled Actuaries Club**

Daveyne C. Totten, President  
Sharlene T. Braun, Secretary/Treasurer  
Actuarial Pension Analysts Inc.  
18 S. Gorham Lane  
Middlebury, Vt. 05753  
Phone: (802) 388-3739  
Fax: (802) 388-7606

**Actuarial Club of Washington, DC**

Jarilyn Paul  
Watson Wyatt Worldwide  
1717 ‘H’ Street NW  
Washington, DC 20006-3900  
Phone: (202) 715-7421  
Fax: (202) 715-7666  
E-mail: Jarilyn_Paul@watsonwyatt.com

**Wisconsin Actuaries Club**

Van Jones, President*  
Mike Sturm, Secretary/Treasurer*  
c/o Robert W. Omdal  
Assistant Vice President & Actuary  
Financial Maintenance  
Aid Association for Lutherans  
4321 N Ballard Rd  
Appleton, Wis. 54919-0001  
Phone: 920-628-2765  
Fax: 920/730-4725  
E-mail: Bob_Omdal@AAL.org

**PACIFICRIM ACTUARIES CLUB OF TORONTO**

Mercy Yan, President  
Eduard Nunes, Treasurer  
Rick Tse, Secretary  
PO Box 18023  
Richmond/Adelaide Post Office  
120 Adelaide Street West  
Toronto, ON M5H 4B3

**Actuarial Students National Association (ASNEA/ASNA)**

Genevieve Gauvin, President  
Marie-Claude Paquin, Treasurer  
Alexandre Tzenev, Secretary  
E-mail: atzenev@hotmail.com  
Website: http://www.fortunecity.com/campus/electrical/15/
7. Information Resources
INFORMATION RESOURCES

Members are provided with a variety of resources, both in print and electronically, to keep abreast of Academy activities, public policy analyses, and professionalism documents.

- **Actuarial Update.** Monthly newsletter mailed to all members; focused on Academy activities.
- **Enrolled Actuaries Report.** Quarterly newsletter mailed to EA members of the Academy; issues important to enrolled actuaries.
- **Contingencies.** Bimonthly magazine mailed to all members and targeted individuals (such as legislators, regulators and outside groups) for a total circulation of 23,000, containing general interest articles. *Contingencies* is a major source of non-dues revenues for the Academy, totaling more than $500,000 in 2001.
- **Academy website.** (www.actuary.org) Major resource for members and the public, with information on Academy activities and events and policy and professionalism documents.
- **Contingencies website.** (www.contingencies.org) Information from and on the magazine for members and advertisers.
- **Monographs.** Public policy white papers on key issues, distributed to target audiences.
- **Issue briefs.** Short discussion papers on key issues, distributed to target audiences.
- **E-mail list serves.** Custom e-mail lists accessed through the Academy that allows small groups, such as councils and committees, to freely exchange information.
- **Blast e-mails.** Used to inform members of Academy activities and projects.
- **Professionalism guidance.** Members are kept informed on professionalism issues through the distribution of ASOPs and the ASB Boxscore.
2002 Leadership Manual

American Academy of Actuaries
8. Strategic Plan

A. Introduction

This strategic plan postulates a vision for the future of both the Academy and the profession, identifies recommended strategic directions to realize the vision, and suggests strategies and their implementation to further the directions over the next several years.

This plan builds from the previous plan (Academy Strategic Plan 1998-2003). That plan recommended that each year the plan be reviewed and updated. This report is an update of that plan. Many of the objectives and action steps set forth in that plan have been accomplished or are well under way. Advances in technology, new laws and regulations, globalization, and corporate mergers have altered the environment of the Academy and conditions under which actuaries carry out their work. Accordingly, the existing plan, now three years old, is somewhat out of date.

This revised plan is the result of the work of the Committee on Strategic Planning, consisting of:

Daniel J. McCarthy, Chairperson
Howard J. Bolnick
Patrick J. Grannan
Lawrence A. Johansen
Stephen R. Kern
Donna C. Novak
James F. Reiskytl
Robert J. Rietz
George J. Taylor
Patricia A. Teufel

This updated plan is respectfully presented to the Board of Directors for its approval and adoption to guide the activities of the Academy over the next several years.

B. Mission

The mission of the Academy should set forth its fundamental purposes, its enduring reason for existence. It also describes the essential ongoing activities required to carry out those purposes. The Committee on Strategic Planning reaffirms the Academy's current mission statement.

Mission

As the organization representing the entire United States actuarial profession, the American Academy of Actuaries serves the public and the actuarial profession both nationally and internationally through:

a. establishing, maintaining, and enforcing high professional standards of actuarial qualification, practice, and conduct;
b. assisting in the formulation of public policy by providing independent and objective information, analysis, and education; and

c. in cooperation with other organizations representing actuaries,

• representing and advancing the actuarial profession, and

• increasing the public's recognition of the actuarial profession's value.

The mission statement says clearly that the Academy represents the U.S. actuarial profession. While the Academy is the voice of the profession in the United States, it also represents the U.S. profession internationally, where needed. The mission statement explicitly clarifies standards as including qualification, practice, and conduct. It states clearly that a major mission of the Academy is to represent and advance the profession. And it gives legitimacy to activities that enhance the recognition of the profession and the value the profession brings to society.

C. VISION

The vision is a verbal picture of an ideal Academy and the actuarial profession as the Committee on Strategic Planning would like to see them in the future — about five to seven years out. The Committee on Strategic Planning reviewed the vision developed by the original task force and saw no reason to change it. By first expressing the ideal, the steps required to take us in that direction can be defined. (For a full articulation of the visions for the profession and the Academy, see Strategic Plan Appendix A.)

The U.S. Actuarial Profession — 2006

The U.S. actuarial profession has substantially grown in its influence in public affairs as well as in the level of awareness by the public of the contributions that actuaries can and do make. The profession is looked to as the most credible and professional source for the analysis of risk and the modeling of future contingencies.

The American Academy of Actuaries — 2006

The Academy is looked to by government and corporate leaders, the media, and major independent policy research organizations as the pre-eminent source of reliable, independent actuarial expertise bearing on public issues. The Academy is also broadly recognized as the organization that establishes and enforces professional actuarial standards at the highest level and is regarded by other U.S. actuarial organizations as a partner in actively furthering the interests of the profession. Membership in the Academy has grown to comprise essentially all of the actuarial profession in the United States.

D. STRATEGIC DIRECTIONS AND IMPLEMENTING STRATEGIES

The following eight strategic directions represent high-priority areas for the Academy to address in order to realize its vision. Each direction calls for a change from the present state in order to strengthen the Academy and its influence. The strategic directions are the heart of the plan and are recommended as the principal areas of focus for the Academy over the next several years.

1. Increase the influence of the Academy and actuaries on the creation of public policy.
2. Increase recognition of the actuarial profession and what it does by public policymakers, and users and prospective users of actuarial services, and expand the scope of the actuarial profession beyond traditional practice areas.
3. Increase the effectiveness of the Academy's advocacy for the actuarial profession.
4. Strengthen and improve the disciplinary and standards processes.
5. Build awareness and support for standards and for the disciplinary process among members, news media, regulators, and policy-makers.
6. Expand the Academy's financial resources.
7. Improve the effectiveness of the Academy's communication process with its members.
8. Improve the organizational effectiveness of the Academy.

Below, included under each direction are strategy suggestions developed by the Committee on Strategic Planning and the Academy staff, together with a recommended assignment for "prime mover" (party responsible for implementing the strategy), some description of the proposed incremental costs, and recommended timing of implementation. Suggested strategies represent the best thinking of the Committee on Strategic Planning on how the directions can be carried out both effectively and efficiently. It is expected that councils, committees, and the staff of the Academy can and will improve on these strategy suggestions. Accordingly, strategies represent guidance to the Academy's operational planning and budgeting processes, not hard and fast recommendations to be adopted and followed to the letter.

All of the strategic directions have a high priority and accordingly are not listed in priority order. Priorities are more nearly assessed when considering implementation timing, with the highest-priority strategies generally being the earliest to implement.

A final, important point: Much of the Academy's organization and most of its activities are not referenced in the strategic directions or the strategies. These groups and activities, while important, even vital, to the functioning of the Academy, were not identified by the Committee on Strategic Planning as requiring a significant change in direction or level of activity. The fact that they are not referred to should in no way be construed to denigrate or deny their importance.

Strategic Direction A: Increase the influence of the Academy and actuaries on the creation of public policy.

Rationale: The provision of objective, unbiased information to inform the creation of public policy is central to the mission of the Academy and to advancing the stature of actuaries in America. The Academy needs to extend and strengthen its efforts in this area, taking a proactive posture when appropriate in addition to responding to requests for information and analysis by public policy-makers.

In this connection, the senior fellow program should be evaluated to assess the benefits of expanding further to include life, property and casualty, and/or generalist fellows.

Suggested Strategies:

1. Determine need and effectiveness of an Academy public policy role at the state and local level by establishing a pilot program in selected states and by initiating contacts at each actuarial club.
2. Identify timely research needs on public policy issues.
This strategy calls for identifying and framing issues needing research, developing a research agenda in support of the issues identified, and providing explanation on why the research is needed.

The research agenda and rationale should be reported to the Academy board in practice councils' cycle reports and communicated to the joint research coordinating body, which would decide how best to accomplish the research in a timely manner.

Suggested Prime Movers: Vice Presidents, liaison to joint research coordinating body appointed by the President's Advisory Council

Recommended Resources to Be Applied: Depends on research agenda

Implementation Timing: Ongoing

3. Actively disseminate research results.
This strategy calls for identifying relevant research conducted by other actuarial organizations, synthesizing it when needed, and delivering it to public policy-makers and others, efficiently and appropriately. The Academy serves here as a kind of broker with a public policy focus.

Suggested Prime Mover: Communications Director

Recommended Resources to Be Applied: Less than 10 percent of F.T.E.

Implementation Timing: Ongoing

4. Examine the current structure for dealing with international issues.

Suggested Prime Mover: President and Executive Director

Recommended Resources to Be Applied: To be determined

Implementation Timing: Ongoing

5. Build significant international capability as the voice of the actuarial profession in the United States.
This capability will be enhanced through the continuous development of mutual recognition agreements. This strategy calls for coordinating with other actuarial organizations and representing the U.S. actuarial profession in the formulation of international standards.

Suggested Prime Mover: President

Recommended Resources to Be Applied: To be determined

Implementation Timing: Ongoing

6. Revise the membership requirements applicable to non-U.S. actuaries to facilitate and expand such membership.

Suggested Prime Mover: Committee on Membership, Manager of Membership and Volunteer Development, Communications Director

Recommended Resources to Be Applied: Some staff and volunteer time, printing and postage costs

Implementation Timing: 2001
7. Strengthen relationships with accounting standards organizations (IASC, FASB, GASB, SEC, FASAB, AICPA) to increase the Academy's influence in the establishment of U.S. standards in areas such as pensions and derivatives where assessment of future risk is a major factor.

Suggested Prime Mover: Vice President for Financial Reporting
Recommended Resources to Be Applied: Some staff time and travel costs
Implementation Timing: Ongoing

8. Establish or strengthen relationships with think tanks and other important public policy organizations, such as NCSL, NCOIL, and NGA.

This strategy calls for educating and emphasizing to organizations such as Rand, Brookings, Hoover Institute, etc., the use and contributions of actuarial expertise in policy and research documents. It will require Academy participation in their meetings and assemblies.

Suggested Prime Movers: President and Executive Director
Recommended Resources to be Applied: Staff time and travel
Implementation Timing: Ongoing

Strategic Direction B: Increase recognition of the actuarial profession and what it does by public policy-makers, and users and prospective users of actuarial services, and expand the scope of the actuarial profession beyond traditional practice areas.

Rationale: In support of the Academy's public policy role as a provider of objective, unbiased information and to increase opportunities for actuaries to employ their talents in a variety of venues, there should be a significant effort made to inform selected publics about what actuaries are capable of doing, their skills, their approaches to problem solving, and the types of problems that benefit from actuarial analysis.

Suggested Strategies:

1. Implement the marketing strategy developed by the Task Force on Marketing the Profession, obtaining the cooperation of the other actuarial organizations and the endorsement of the Council of Presidents.

Suggested Prime Movers: Academy President and Executive Director
Recommended Resources to Be Applied: Staff time and travel
Implementation Timing: Ongoing

2. Determine new level of contacts needed in light of the new federal environment for financial services institutions, such as the Federal Reserve Board and the Office of Thrift Supervision, and make contact with the identified agencies.

Suggested Prime Mover: Vice President for Financial Reporting
Recommended Resources to Be Applied: Staff time and travel
Implementation Timing: As soon as possible

3. The Academy should lead a cooperative effort by all actuarial organizations to develop a proactive, effective strategy for the future of the profession, including nontraditional practice areas.

Suggested Prime Mover: President
Recommended Resources to Be Applied: Staff time
Implementation Timing: Ongoing
Strategic Direction C: Increase the effectiveness of the Academy's advocacy for the actuarial profession.

Rationale: One of the most important functions of the Academy is to promote the profession, especially by influencing both state and federal legislation and regulation to encourage the use of actuaries to their fullest potential. It is equally clear that care must be exercised in this area so as not to undercut or call into question the ability of the Academy to provide unbiased information and analysis.

Suggested Strategies:

1. Promote the legal recognition of M.A.A.A.
Implementing this strategy calls for several related actions. First, we must press for the recruitment of qualified actuaries in state insurance departments, especially for positions involved in drafting legislation. Second, the Academy should strengthen its relations with the NAIC, government personnel, comptroller of the currency, and the Department of Labor. The practice councils can be instrumental in identifying key government and other decision-makers, and in drafting consistent messages about the benefits of employing actuaries in these governmental positions. Third, the development of a state-level grass roots capability can enable actuaries to press for inclusion of the M.A.A.A. designation in relevant legislation and regulation.

The members themselves should be encouraged by the Academy to use the M.A.A.A. designation on business cards, letterhead, and other forms of communication, and to explain to key government and other decision-makers that membership in the Academy involves subscribing to a code of professional ethics and meeting established professional performance standards.

Suggested Prime Mover: Director of Public Policy

Recommended Resources to Be Applied: Modest, mainly staff time — perhaps one day a month

Implementation Timing: As soon as possible

2. Promote actuarial positions in public service areas.
Closely tied to strategy C1 above, this strategy would involve promoting the use of actuaries in government task forces as well as ongoing public bodies and agencies. As in the previous strategy, the Academy would need to identify key decision-makers, be aware of hiring cycles and needs of specific agencies and organizations, and be able to identify actuaries willing and able to enter government service.

The strategy might also call for placing actuarial fellows in organizations such as the General Accounting Office, the Office of Management and Budget, the Congressional Budget Office, or on congressional staffs. A fellow at the Financial Accounting Standards Board (FASB) might also be highly valuable both to that organization and to the Academy. The IRS "visiting actuary" program is one model that could be explored in implementing this strategy.

Suggested Prime Movers: Committee on Actuarial Public Service (may need to be renamed with expanded charter to extend to organizations such as FASB) and the Executive Director

Recommended Resources to Be Applied: Minimal, unless and until additional fellows are established

Implementation Timing: As soon as possible
3. Obtain input from key users and prospective users of actuarial services.
The key users should include insurance commissioners and CEOs of organizations employing or potentially employing actuaries. Practice councils should be asked to develop input for the information requested.

Suggested Prime Mover: Financial Reporting Council to appoint a volunteer committee consisting of members in the actuarial finance area and other nontraditional practice areas to obtain the input.

Recommended Resources to Be Applied: Some staff time, postage, and travel.

Implementation Timing: As soon as possible.

4. Promote recognition of the expertise of actuaries in financial services.

This strategy calls for the establishment of relationships with financial institutions, trade groups, and regulatory agencies to educate and promote the use of actuaries in the banking and financial services arena.


Recommended Resources to Be Applied: Staff time and travel.

Implementation Timing: As soon as possible.

Strategic Direction D: Strengthen and improve the disciplinary and standards processes.

Rationale: The discipline and standards processes are central to the mission of the Academy and are essential to undergird the Academy’s influence and credibility with the profession, public policy-makers, and the public. The present processes, while acceptable and serviceable, nevertheless can be improved.

Suggested Strategies:

1. Educate state and federal regulators on how to report suspected actuarial malpractice and address their reluctance to report suspected malpractice.

This strategy calls for the development of a set of frequently asked questions and answers to be sent to regulators. It would also involve asking regulators for their input, concerns, and ideas about reporting suspected or actual actuarial malpractice and about what constitutes malpractice. Meeting with commissioners to discuss malpractice would also be beneficial.


Recommended Resources to Be Applied: Staff time and travel.

Implementation Timing: As soon as possible.

2. The direct involvement of the Academy’s entire governing board in the disciplinary process should be tempered with a bylaw change.

Suggested Prime Mover: Council on Professionalism.

Recommended Resources to Be Applied: Staff time.

Implementation Timing: Ongoing.

Strategic Direction E: Build awareness and support for standards and for the disciplinary process among members, news media, regulators, and policy-makers.

Rationale: There are indications that some Academy members, regulators, important policy-makers, and the general public are insufficiently aware of the Academy’s standards and disci-
plenary processes. In order for this important aspect of the Academy's activity to be effective, there needs to be a wider awareness that standards of ethics and practice exist, that membership in the Academy means adherence to those standards, and that there is an established, workable process for disciplining members who fail to live up to them.

Suggested Strategies:

1. Work with ASB to develop educational programs around standards.
   Suggested Prime Mover: Director of Professionalism
   Recommended Resources to Be Applied: Staff time and travel
   Implementation Timing: Initiate in 2001

2. Improve the format and availability of practice notes.
   Suggested Prime Movers: Actuarial Standards Board to develop the format, and practice councils to improve the availability of the notes, Director of Communications
   Recommended Resources to Be Applied: Nominal
   Implementation Timing: 2001

3. Have chairs or other members of ABCD and ASB regularly address the meetings of other actuarial organizations as well as broader audiences to explain operational procedures, discuss professionalism issues, and obtain feedback.
   Suggested Prime Mover: Council on Professionalism
   Recommended Resources to Be Applied: Staff time and travel
   Implementation Timing: Ongoing

4. Investigate the desirability of a requirement that the continuing education portion of the Qualification Standards include a component for continuing education in professionalism.
   Suggested Prime Movers: Committee on Qualifications, Joint Committee on Continuing Education Requirements
   Recommended Resources to Be Applied: Staff time and travel
   Implementation Timing: As soon as possible

Strategic Direction F: Expand the Academy's financial resources.
Rationale: Nearly 80 percent of the revenue of the Academy comes from member dues. Unless new categories of members are added, regular membership growth is anticipated to be only modest in the future. This is because most of the membership market has been tapped already. Raising dues significantly can be problematic in that membership losses might (more than) offset increases in income from remaining members. If the Academy is to be able to carry out vital programs in the future, it must increase its net revenue. This can be done through some combination of membership growth via new categories of members (if feasible) and the development of non-dues revenue sources.

Suggested Strategies:

1. Develop a marketing strategy for the Academy's products and services.
   This would involve segmenting Academy membership into practice areas and developing targeted approaches to members in those segments, such as repackaging existing services
and developing modifications to existing products that are more member-specific. It would also involve products and services purchased by non-members.

**Suggested Prime Movers:** Membership Committee, Manager of Membership and Volunteer Development, Communications Director

**Recommended Resources to Be Applied:** Staff time

**Implementation Timing:** 2001

---

2. **Consider ways of developing more non-dues revenue.**

This strategy would benefit from an awareness of what other associations are doing to generate non-dues revenue and from an assessment of new services and products that members and others might need and might credibly purchase from the Academy.

**Suggested Prime Movers:** Secretary-Treasurer with Budget and Finance Committee, practice councils

**Recommended Resources to Be Applied:** Meeting expenses, staff time

**Implementation Timing:** As soon as possible

---

3. **Explore the possibility of a consolidated dues billing with other actuarial organizations.**

**Suggested Prime Mover:** Academy President

**Recommended Resources to be Applied:** Nominal for exploration; however, any implementation would probably require additional technical resources

**Implementation Timing:** 2001

---

4. **The Academy should develop and implement web-based programs.**

**Suggested Prime Mover:** Secretary-Treasurer with the Technology Committee

**Recommended Resources to Be Applied:** To be determined

**Implementation Timing:** 2001

---

**Strategic Direction G: Improve the effectiveness of the Academy's communication process with its members.**

**Rationale:** There is ample evidence, both anecdotally and from surveys, that the Academy's members are not sufficiently aware of what the Academy does, how it is organized and functions, and of the standards and discipline processes overseen by the Academy. Effective communication with the membership is essential for the continuing health of the organization and for the support of the membership, which is so vital in the long run. The Academy is responsible for communicating effectively with its members. Information must be converted to intelligence, must be effectively packaged, and must reach the intended audience effectively.

**Suggested Strategies:**

1. **Implement recommendations of the communications audit.**

**Suggested Prime Mover:** Communications Director

**Recommended Resources to Be Applied:** Staff time

**Implementation Timing:** Ongoing

2. **Increase the role of the Academy in sessions at the Society of Actuaries, Casualty Actuarial Society, and other actuarial organizations' meetings when they involve U.S. practice areas.**
Suggested Prime Mover: Executive Committee
Recommended Resources to Be Applied: Some staff time and travel
Implementation Timing: As soon as possible

3. Determine the feasibility of publishing a compendium of practice notes or some similar compilation of Academy-produced guidance papers concerning techniques that are used in actuarial practice.
Suggested Prime Mover: Director of Communications
Recommended Resources to Be Applied: Staff time (Note: a web-based approach may be the most economical way to implement this strategy; that could require additional technical resources, but would save substantially in printing costs)
Implementation Timing: 2001

Strategic Direction H: Improve the organizational effectiveness of the Academy.
Rationale: The Academy functions reasonably well but needs to improve its organizational effectiveness. Key issues include staffing of volunteer committees, staff training, coordination between functional areas on projects, and prioritization of projects. For the Academy to function effectively as a whole, particularly in the face of scarce resources, there must be a more consistent management philosophy throughout the organization, together with coordination and communication among the major groups that make up the Academy.

On the volunteer side, committees and councils, which do much of the work of the Academy, always need to be managed efficiently and be accountable to the Academy governance. They should be competently and imaginatively supported by the Academy staff. Both staff and volunteers should strive to maintain a partnership whereby the talents and expertise of each can be most effectively employed. For this to happen, there must be a clear understanding of the roles and responsibilities of each and how the relationship should work.

Suggested Strategies:

1. Develop a comprehensive set of human resource policies and practices for staff, including training and professional development, compensation, hiring, termination, expected tenure of professional staff (a career? up or out), performance appraisal/review, promotion policy, working arrangements, outsourcing, reporting responsibilities, compensatory time, and the like. The policies should be uniformly applied across the organization.
Suggested Prime Movers: Executive Director, President's Advisory Council, Personnel and Compensation Committee, Human Resources Manager
Recommended Resources to Be Applied: Executive Director and Human Resources Manager with the President's Advisory Council and Personnel and Compensation Committee
Implementation Timing: Ongoing

2. Design training process aimed at strengthening and clarifying volunteer and staff relations.
A process should be developed for new board members, vice presidents, committee chairs, and staff members serving committees or otherwise actively interacting with volunteers. The process should include providing information on the following topics:
• roles and responsibilities of the president, vice presidents, board members;
• roles and responsibilities of committee chairs;
• roles and responsibilities of staff serving committees;
• expectations of committee and council chairs by staff;
• meeting management;
• dealing with conflicts between staff and volunteers;
• accountabilities: Council and committee chairs to the Executive Committee, staff to committee and council chairs, staff to the executive director; and
• annual goal setting in light of the strategic plan.

Suggested Prime Movers: President’s Advisory Council and Executive Director
Recommended Resources to Be Applied: Some staff time, plus the costs of an outside trainer/facilitator
Implementation Timing: Ongoing

3. Assess the effectiveness of the volunteer structure.
This strategy calls for an assessment of current practices in committee appointments to see if the best people for the jobs are being named and if new persons are being brought into the committee structure at an adequate rate. The assessment should also determine whether some committees should be phased out or combined, whether new committees should be named, and whether a new council or councils should be established to include, for example, members engaged in the area of finance or nontraditional areas of actuarial practice. The charters of committees and councils should be reviewed to see that they are up to date and relevant to current needs.

In carrying out this assessment, staff and volunteers should be surveyed to learn better what is needed from both.
Suggested Prime Mover: President’s Advisory Council
Recommended Resources to Be Applied: Some staff time
Implementation Timing: 2001

E. MONITORING AND REPLANNING

The regular monitoring of the plan should be done by the President’s Advisory Council and the Executive Committee, relying on periodic reports from the executive director as to progress on the strategies approved by the board, suggested modifications, and new strategies as warranted by experience, problems with implementation, and strategy successes.

Revisions to the Academy’s strategic plan were made by the Committee on Strategic Planning. Each year, the president should appoint a new Committee on Strategic Planning, chaired, if possible, by the president-elect. The Committee on Strategic Planning should include the executive director and representatives from each of the other organizations representing actuaries. The Committee on Strategic Planning should be responsible annually for meeting with the senior staff of the Academy and, if indicated, committee or council chairs, to review the implementation of the plan. The Committee on Strategic Planning should recommend to the Executive Committee suggested new strategies for carrying out the existing strategic directions. Ordinarily, strategic directions would be unchanged unless there was a significant shift in the environment of the Academy or its members. The Committee on Strategic Planning should maintain an inventory of strategically important
planning issues to be taken up in any new planning process and recommend to the President's Advisory Council and Executive Committee the initiation of a new strategic planning process (approximately every five years). Such a new process would include interviews with board members, committee chairs, and others; surveys of the membership; the creation of new visions for the Academy and the profession; a review of the Academy's mission; and the development of new strategic directions.
Strategic Plan Appendix A

Vision
The vision is a verbal description of the Academy and the profession as the original task force, unmodified by the Committee on Strategic Planning, would like to see them in the future — about five to seven years out. It is neither an extrapolation of the present nor a prediction. Rather, it is a depiction of an ideal Academy and the profession it represents. By setting our sights on the ideal, we can identify the steps required to take us in that direction.

The U.S. Actuarial Profession — 2006
The U.S. actuarial profession has, over the last five years, substantially grown in its influence in public affairs as well as in the level of awareness by the public of the contributions that actuaries can and do make. The profession is looked to as the most credible and professional source for the analysis of risk and the modeling of future contingencies, providing safeguards for insurance, financial services, and other industries. Increasingly, corporate boards of directors, particularly of life insurance and property/casualty companies, are requiring actuarial risk audits in addition to the traditional accounting audits. The IAA and IASC have adopted a uniform financial reporting regime for multinational public corporations that incorporates formal public opinions of the appointed actuary in addition to the auditor on employee-benefit obligations and asset/liability management.

The profession in the United States remains organized around five actuarial organizations. Collaboration among the actuarial organizations has increased significantly, led by the efforts of the Academy. Technologically, all actuaries are linked through the actuarial web. This has substantially improved communications among members of the profession worldwide.

The demand for entry-level actuaries is strong both in the insurance industry and in other sectors of the economy as corporate America continues to discover the wide range of services provided by actuaries. Many actuaries have become CEOs of financial institutions and chief financial officers of major manufacturing corporations. New techniques and recent mathematical developments such as fuzzy logic, along with greatly enhanced data tools and other uses of new technology, have created applications in nontraditional areas and higher levels of sophistication in actuarial work.

The American Academy of Actuaries — 2006
The Academy has become widely recognized as the voice of the actuarial profession in the United States. It is looked to by government and corporate leaders, the media, and major independent policy research organizations as the pre-eminent source of reliable, independent actuarial expertise bearing on public issues. They value, rely on, and regularly use Academy work products and analyses of public policy issues, as does the membership itself. The Academy provides its members and other actuarial organizations frequent updates on the status of federal and state regulation and law affecting the profession. The Academy is also broadly recognized as the organization that establishes and enforces professional actuarial standards at the highest level. As a consequence, the federal and most state governments now require an actuary to be a member of the American Academy of Actuaries, subject to the qualification standards, to perform public work.
Membership in the Academy has grown to comprise essentially all of the actuarial profession in the United States and a large contingent of non-U.S. members who practice in the United States, as well. The annual meeting is well attended both in person and via electronic communication with centers across the United States and overseas. The Academy website is the focal point of external and internal communication and serves, through linkages with other actuarial organizations, as the central source of information for the profession. Practice councils of the Academy are active and energetic, providing the Academy with a wealth of ideas to advance the profession and new initiatives in the areas of research, international standards, and relationships with financial standards organizations. Several new councils have been established in the past five years to acknowledge developments in professional practice. Overall, as reflected in member surveys, meeting attendance, membership levels, and the extent of volunteering, members perceive that the Academy has real and significant value.

The Academy is regarded by other U.S. actuarial organizations as a partner in fulfilling the interests of the profession and as the primary coordinating body for U.S. involvement in the IAA on matters of international public policy. The Academy has negotiated several bilateral, reciprocal cross-border practice agreements.

The staff of the Academy has grown in size and expertise. The senior fellow program now includes several actuaries serving the practice councils and providing valuable counsel to government and the news media. The councils work in close concert with one another under the direction of the Academy Executive Committee and Board of Directors. The volunteer program has become highly recognized as an honor and a distinction of professional achievement.
Strategic Plan Appendix B

Issues
The following issues were identified by the original task force as being relevant to the planning process, and were only slightly modified by the Committee on Strategic Planning:

A. Issues Facing the Profession
1. Financial services industry redefining itself, the place of actuaries put into question.
2. Lack of recognition of the profession by the public that shapes policy.
3. Many members do not realize the need for continuing education.
4. Lack of understanding, appreciation, and confidence on the part of government and regulators about professionalism and discipline in the profession.
5. Encroachment by other professions.
6. Difficulty in keeping current with new mathematical models.
7. At the federal level, an inability to gain recognition and/or legal standing for the professional designation.
8. Multiple regulation and statutes among the 50 states. Exposure to litigation risks, some conflict with standards of practice. The actuary is overwhelmed by regulatory guidance.
9. Reluctance to assume professional responsibility for fear of incurring professional liability.
10. Need to broaden the application of our body of knowledge; too insular in our language.
11. Research not published in timely manner and/or is sometimes behind the curve. More time and energy needed in research that anticipates issues.

B. Issues Facing the Academy
1. The increased demand on the Academy for a range of international activities. What is the Academy’s role, and how should we allocate resources to this area?
2. Difficulty in communicating the value of Academy membership.
3. Limited staff and financial resources.
4. Members insufficiently aware of the need for and value of professionalism.
5. Establishing continuity of long-term direction with the leadership turnover.
6. Insufficient familiarity and knowledge of Academy on the part of rank-and-file members.
7. Behind the curve technologically; a need to use new vehicles for delivering information.
8. Membership growth not keeping pace with growth of the profession. Dues-paying employers becoming more selective.
9. The multiplicity of regulations to which the actuary is subject, and the need to prioritize among those regulations.
10. Competing with other actuarial organizations for volunteer resources.
11. Not enough interaction with members, through annual meetings, etc., that tie the member to the organization.
12. Sharing the public interface with ASPA (relative to pension and employee benefits).
13. How to qualify non-U.S. actuaries to practice in the United States.
14. How best to serve the needs of actuaries in nontraditional practices.
15. Insularity of councils and difficulty in handling interdisciplinary issues.
16. Difficulty in distinguishing between education and advocacy.
17. Overlap in communications role and function among Academy, other actuarial organizations, and the Actuarial Foundation.
Strategic Plan Appendix C

Strengths and Opportunities
The original task force identified a number of strengths possessed by the Academy which can form the basis for strategy. These were modified only slightly by the Committee on Strategic Planning. There are also a number of opportunities to be seized.

A. Strengths to Be Built Upon
1. High level of commitment by actuaries to the profession.
2. Solid reputation for providing objective and factual information and analysis.
3. High level of shared values among profession.
4. Knowledgeable Academy staff.
5. Ability to communicate information about proposals and issues to the members on a real-time basis.
6. Existing and accepted standards of professionalism.
7. Academy membership is approximately 83 percent of the total qualified member market.
8. Commitment of the volunteers to service in Academy.
9. Ability to provide independent actuarial analysis on mainstream issues to government, media, general public, and businesses.
10. Senior pension fellow and senior health fellow programs.
11. Viewed as both a strength and opportunity were the professionalism program and the need for its promotion.

B. Opportunities to Be Seized
1. Public policy-makers’ receptivity to actuarial input.
2. Being positioned to influence international standards.
3. Large number of major public policy issues that can benefit from Academy involvement; e.g., Social Security, Medicare.
4. Internet represents a potential new way of communicating and collaborating among members; should also aid in recruiting new members and permit more cost-effective publishing.
5. Globalization of profession and interfacing with IAA.
6. Maximizing the standards program and elevating professionalism.
7. Enhancing and promoting the employment of actuaries, elevating both professionalism and the market.
8. Coordinating research with the actuarial research organizations; avoiding any overlap.
9. Capitalizing on the website for image boost and internal communications.
10. Expanding technology creates significant markets for actuarial skills and problem-solving.
9. Management
9. MANAGEMENT

A. ROLES AND RESPONSIBILITIES

The Academy is the voice of U.S. actuaries on public policy and professionalism issues. It represents the U.S. profession both domestically and internationally.

The Academy provides reliable, independent actuarial expertise on public issues to Congress, state legislatures, other policy-makers, regulators, and the public. The Academy also develops and maintains standards of qualification to practice as an actuary.

In addition, the activities of the Actuarial Standards Board (ASB), the Actuarial Board for Counseling and Discipline (ABCD), and the Joint Committee on the Code of Professional Conduct are coordinated through the Academy’s Council on Professionalism. The ASB and ABCD are independent organizations, but they receive administrative support from the Academy.

The Academy’s work is governed by three primary groups: The Board of Directors, the Executive Committee, and the President’s Advisory Committee.

Board of Directors
The Board of Directors has 29 members: the Academy’s nine officers; two immediate past presidents; 10 regular elected directors; and eight special directors consisting of the presidents and presidents-elect of the American Society of Pension Actuaries, the Casualty Actuarial Society, the Conference of Consulting Actuaries, and the Society of Actuaries.

The board’s main purposes are to:

- Establish goals and priorities for the Academy.
- Consider profession-wide policy issues relevant to the Academy’s and the profession’s goals.
- Review and approve the Academy budget, including dues level.
- Review and approve Actuarial Standards Board (ASB) and Actuarial Board for Counseling and Discipline (ABCD) budgets.
- Elect Academy officers.
- Initiate bylaw changes.
- Review and, where appropriate, approve interim policy and administrative actions of the Executive Committee.

Executive Committee
The Executive Committee has 10 members: the Academy’s nine officers, plus the immediate past president. It oversees the operations of the Academy’s practice councils. It also carries out other duties delegated by the Board of Directors.

President’s Advisory Committee
The President’s Advisory Committee (PAC) has three members: the Academy president, president-elect, and immediate past president. It oversees the management of the
Academy, including the performance of senior level Academy staff. It also makes policy recommendations to the Executive Committee.

The Academy’s executive director is the primary staff liaison for the Board of Directors, the Executive Committee, and the PAC. The executive director manages Academy staff and directly supervises the four staff directors (communications director, finance and administration director, public policy director, and professionalism director and general counsel). Staff duties and responsibilities are described in more detail at the end of Section A.

**Vice Presidents**

The duties of the vice presidents are stated in the Academy bylaws, Article 6, Section 3. The vice presidents are generally responsible for recommending and implementing policy and direction under their areas.

The vice president serves as chairperson of one of the six councils (health, casualty, financial reporting, life, pension and professionalism). In addition to duties assigned by the president, the vice presidents have duties pertaining to committee operations: communication (a-f) and project oversight (g-l).

Vice presidents:

a. Request policy direction from the Board of Directors and Executive Committee, as required.
b. Monitor the committee planning and reporting system.
c. Communicate pertinent actions to committee chairpersons following each meeting of the Board of Directors and Executive Committee, and may be asked to give a report at the annual meeting.
d. Present requests for approval to expose or to adopt standards of professional conduct and qualification to the Board of Directors and Executive Committee.
e. Review any proposed change to a committee name or charge and forward to the Board of Directors and Executive Committee for approval.
f. Work with Academy staff to formulate practice council goals for the year, including development of key issues and action plans for each issue.
g. Encourage timely calling of committee meetings and attend meetings, as appropriate, if mutually agreeable with the chairperson.
h. Consult with committee chairpersons on public statements under development.
i. Participate in the selection of committee chairpersons in consultation with the president and other actuarial organizations, if appropriate. Participate in the selection of committee members in consultation with the committee chairperson, including the utilization of volunteers.
j. Facilitate the provision of staff support or other resources to enable committees to function adequately.
k. Fulfill the functions described for vice presidents in the “Guidelines for Making Public Statements.”
l. Implement the council’s peer review procedure and ensure that it is followed throughout all work products of the Annual Schedule of Council Activities.
Vice Chairpersons
Each council should have a vice chairperson who is selected by the vice president. The vice chairperson is not necessarily the successor to the vice president. The vice chairperson will assist the vice president in fulfilling his or her responsibilities and will represent the council if the vice president must be absent from an event or meeting.

Academy Councils
(Area vice president, selected Board of Directors members in subject area, appropriate committee chairpersons and selected liaison representatives from the ABCD, ASB, and the ASPA, CAS, CCA and SOA boards, sections, or committees)

The councils:

- Develop strategic plans, set priorities, develop budget requests, and establish committee or task force assignments.
- Communicate and coordinate Academy activities relating to the area of practice or to professionalism within the Academy, particularly with the ASB and the ABCD, and with the other actuarial organizations.
- Provide advice to Academy and profession-wide communication efforts on issues concerning the subject area.
- Act on applications from Academy members (who are not fellows or associates of the CAS) seeking to be approved as qualified to perform loss reserve determinations (casualty practice area only).
- Oversee the Academy’s participation in the development, publicizing, and implementation of professional standards.

Committees, Task Forces, and Work Groups

These groups:

- Carry out duties necessary to accomplish the committee charge, including developing testimony, public statements, and other information for dissemination to government bodies and the public.
- Perform such duties as may be delegated by the appropriate practice council or the Professionalism Council.
- Prepare an annual plan and an annual report on the committees’ responsibilities, priorities, and accomplishments.

Committee Chairpersons, Members, and Staff Liaisons

Committee Chairpersons
The chairperson guides the committee in its work as consistent with the Academy’s mission and strategic plan, as outlined by the Board of Directors.

The chairperson:

- With staff, develops a work plan that will allow the committee to effectively and efficiently discharge its responsibilities for the year.
• With staff, develops agendas and conducts committee meetings.
• Approves reports and pre-meeting materials before their distribution.
• Works with staff to ensure that the committee’s work is carried out between meetings.
• Approves cycle reports on committee activities, including requests to the Board of Directors for action items.
• Reports to the committee on Board of Directors or Executive Committee decisions that affect the committee’s work or activities.
• Observes and follows the committee appointment guidelines adopted by the Board of Directors, facilitating new member annual appointments.
• Recommends to the Board of Directors a succeeding appointee to fill his or her chair slot.
• Where appropriate, makes policy recommendations to the Board of Directors.

Committee Members
The committee member reports to the committee chairperson. The member actively participates in the work of the committee, provides input on the deliberations of the committee, focuses on the best interests of the Academy and the committee rather than on personal or constituent interests, and works toward fulfilling the committee’s objectives.

The committee member:
• Reviews all relevant material before committee meetings.
• Makes contributions and voices objective opinions on issues.
• Attends committee meetings.
• Carries out individual assignments made by the committee chairperson.
• Works as part of the committee and staff team to ensure that the committee develops products and services that help Academy members and staff who are responsible for programs within the committee’s scope of interest.
• Represents the committee in meetings of other organizations representing actuaries.
• Promotes clarity within the committee on the committee’s role and how it supports and fits within the interests of the Academy.
• Assists in recruiting future Academy volunteers.

Staff Liaisons
The staff liaison serves as a resource person to the chairperson and committee members. The staff liaison assists the chairperson in facilitating committee discussions and activities that address the committee’s charge and works with the chairperson to ensure that all committee work is consistent with the Academy’s mission and strategic plan.

The staff liaison:
• Works with the chairperson to develop a plan of work that will allow the committee to effectively and efficiently discharge its responsibilities for the year.
• Works with the chairperson to develop agendas and conduct effective committee meetings.
• Drafts reports of committee meetings for review and approval by the chairperson.
• Works with the committee chairperson, other committee members, and Academy staff to ensure that the committee’s work is carried forward between committee meetings.
• Facilitates communication of committee activities to staff supervisor.
• Reports to the committee chair on decisions of the Board of Directors, Executive Committee, or other Academy committees that impact the committee’s activities.
• Assists the chair with the volunteer staffing of the committee.
• Where appropriate, assists the committee in proposing products and services that will further the mission and objectives of the Academy.

Staff Contacts

Staff List
Listed below are brief descriptions of the responsibilities of Academy staff and consultants, along with their phone numbers.

Note: The e-mail address for anyone who works at the Academy is his or her last name followed by @actuary.org. (For instance, Rick Lawson’s address is lawson@actuary.org, while Lauren Bloom’s is bloom@actuary.org.) Also, in the phone numbers listed, the area code is 202 unless otherwise noted.

Executive Director: Richard C. Lawson. 223-8196. Responsible to the Board of Directors for all program activities and implementation of the policy decisions set by the officers and the Board of Directors.

Executive Assistant: Gwen Hughes. 785-7878. Provides administrative support to the executive director. Assists staff liaisons in planning meetings for Academy committees.

External Relations and Membership Outreach Manager: Angela Heim. 785-6921. Supervises the Academy’s external relations program and manages membership marketing.

Technology

Technology Manager: Mark Paster. 785-7854. Provides all necessary staff support on maintenance of computer system; maintains and organizes database; serves as office-wide system administrator; coordinates necessary staff training.

Membership Manager: Susan Steinbach. 847-706-3513. Responsible for maintenance of membership records and receipt of membership dues. Also administers the admissions processing system. Coordinates on-site projects that require coordination with Society of Actuaries personnel and database.

Web Developer: Mary Connelly. 785-7879. Manages website development for the Academy, Contingencies, and the Actuarial Board for Counseling and Discipline.
Communications

Director of Communications: Noel Card. 785-7867. Directs communications activities, including Academy publications, media relations, and public information programs. Also provides communications expertise in other areas of operations as needed.

Executive Assistant and Meeting Planner: Denise Winston. 785-6925. The senior administrative staff member in the Communications Department, reporting directly to the director. Also responsible for planning and executing all logistical details for Academy meetings.

Assistant Director of Publications and Editor, Contingencies: Steve Sullivan. 785-7874. Responsible for editorial acquisitions, preparation, production, and editing of all Academy publications, including the Actuarial Update and the bimonthly magazine, Contingencies.

Managing Editor, New Media and Member Publications: Anne Richardson. 785-7864. Manages website content and structure for the Academy, Contingencies magazine, and the Actuarial Board for Counseling and Discipline. Oversees publication of the Actuarial Update and the Enrolled Actuaries Report. Helps develop other printed and electronic publications.

Assistant Managing Editor, Member Publications: Linda Mallon. 785-7876. Manages website content and structure for the Academy, Contingencies magazine, and the Actuarial Board for Counseling and Discipline. Oversees publication of the Actuarial Update and the Enrolled Actuaries Report.

Publications Production Manager: Rebecca Horst. 785-7882. Manages production, circulation, advertising for Contingencies; handles layout and design of the Yearbook, monographs and other publications; serves as printing and postage liaison for periodicals; assists in updating the Academy and Contingencies websites.

Editorial Assistant: Angela Moore. 785-7889. Provides clerical, administrative, and editorial support for the Communications Department, under the supervision of professional department staff. Provides office-wide support as needed.

Assistant Director for Public Affairs: vacant. Manages media relations for the Academy. Assists director of communications with external communication programs for the Academy; serves as staff liaison to Academy members interacting with the media.

Media Relations Manager: Tracey Young. 785-7872. Manages media relations projects and programs under the jurisdiction of the Department of Communications. Builds and maintains strong relationships with trade, financial, and related media.

Communications Assistant: Virginia Keene. 785-7881. Provides administrative and editorial support for media relations and for other communications and membership activities.
Finance and Administration

Director of Finance and Administration: Joanne Anderson. 785-7858. Directs and manages all financial functions, including budget preparation, financial report preparation, monitoring of budget compliance, preparations of cash flow projections, and implementation of investment policy.

Manager of HR & Office Operations: Gail Ingram. 785-6920. Responsible for overall administration and coordination of human resources functions, including employee benefits, recruitment, development of personnel programs and policies, employee relations, professional development, oversight of administrative support staff, payroll, and office management.

Human Resources Coordinator: Vera Hernandez. 785-6923. Assists in carrying out various human resources programs and procedures for Academy employees. Coordinates benefits, recruitment, and other human resources projects.

Receptionist: Donna Lyons. 223-8196. Greets the public; operates telephone console; gives routing information to the public; performs routine clerical work, such as typing, data entry, and mail processing; coordinates and distributes mailroom supplies.

Staff Accountant: Kathy Bland. 785-7856. Assists the director of finance with budget preparation and quarterly financial reports by approving and researching accounting data. Maintains general ledger.

Accounting Coordinator: Alberta Phillips. 785-7857. Responsible for bookkeeping functions, including accounts payable and receivables. Provides clerical and other support functions for the Accounting Department.

Legal and Professionalism

General Counsel and Director of Professionalism: Lauren Bloom. 785-7861. Acts as staff counsel for Academy activities that require legal review and advice. Provides support to the Actuarial Board for Counseling and Discipline, the Actuarial Standards Board, and the Council of Professionalism.

* Of Counsel: Kit Pardee. 785-7877. Serves as associate counsel supporting the Academy general counsel and the staff attorney. Reviews public policy statements for compliance with the law and Academy policy. Works with the general counsel and staff attorney to assist with timely resolutions of disciplinary cases.

Staff Attorney, ABCD Issues: Tom Griffin. 785-7860. Provides support to the Actuarial Board for Counseling and Discipline.
ASB Manager: Caren Clark. 785-7853. Has overall responsibility for the administration of the Actuarial Standards Board, including overseeing ASB publications.

Standards Editor: Erica Kennedy. 785-7855. Provides technical writing expertise, guidance, and editorial direction to the Actuarial Standards Board, its operating committees, and other committees involved in standards.

Legal Assistant: Rita Winkel. 785-7862. Provides clerical and other support services for general counsel and staff attorney.

Editorial/Administrative Assistant: Doreen Evans. 785-7859. Provides clerical and other support services for the director of the standards program and standards editors.

Public Policy

Director of Public Policy: Todd Tuten. 785-7875. Directs the Academy’s public policy activities at both the federal and state levels. Participates in representing the views of the Academy to government officials.

* Senior Pension Fellow: Ron Gebhardtsbauer. 785-7868. Responsible for helping communicate the Academy’s message on pension issues to the public. Also serves as the primary contact on behalf of the Pension Practice Council with Congress, the federal government, public policy and trade organizations, and the news media on pension-related issues.

* Senior Health Fellow: Cori Uccello. 785-6926. Responsible for helping communicate the Academy’s message on health care issues to the public. Also serves as the primary contact on behalf of the Health Practice Council with Congress, the federal government, public policy and trade organizations, and the news media on health-related issues.

Senior Casualty Policy Analyst: Greg Vass. 785-7865. Provides staff support to committees in developing government information activities in the casualty area. Assists in statement development and research of casualty insurance issues.

Financial Reporting Policy Analyst: Meredith Detweiler. 785-7866. Provides staff support to committees in developing government information activities in the financial reporting area. Assists in statement development and research of financial reporting issues.
Health Policy Analyst (Federal): Holly Kwiatkowski. 785-7871. Provides staff support to committees in developing government information activities in the health care area. Assists in statement development and research of health care issues.

Health Policy Analyst (State): Joanna Ossinger. 785-7863. Provides staff support for the Health Practice Council. Monitors state health legislation and regulations of interest to Academy members. Assists with drafting Academy issue briefs and monographs.

Life Policy Analyst: Steve English. 785-7880. Provides staff support to committees in developing government information activities in the life insurance area. Assists in statement development and research of life insurance issues.

Pension Policy Analyst: Bridget Flynn. 785-7869. Provides staff support in developing government information activities in the pension practice area. Assists in statement development and research of pension and retirement income issues.

Administrative/Legislative Manager: Kasha Shelton. 785-7873. The general contact person assisting members on public policy matters; supervises workload of public policy administrative and legislative staff; routes PAL requests for assistance; coordinates logistics of Capitol Hill briefings; maintains public policy archives.

Legislative Assistant: Heather Jerbi. 785-7277. Tracks federal and state policy developments on legislative and regulatory issues pertinent to the actuarial profession. Drafts Academy Alerts; conducts research, and provides information to assist public policy staff.

Administrative Assistant: Alicia Ross. 785-7883. Provides clerical and other support to the Public Policy Department; receives and distributes orders for monographs, issue briefs, and other public policy publications.

Administrative Assistant: Phillip Hafler. 785-7884. Provides clerical and other support to the Public Policy Department; receives and distributes orders for monographs, issue briefs, and other public policy publications.

* Provides professional expertise to the Academy as a consultant.
B. PLANNING COUNCIL ACTIVITIES

Each council should plan to meet at least three times during the Academy year, which begins and ends with each year’s annual meeting, usually in October or November. One of those meetings should be in conjunction with either the annual meeting of another organization representing actuaries or the Academy’s annual meeting (which is held in conjunction with another organization’s meeting). It would be highly desirable for each council to have at least one other face-to-face meeting in addition to conference calls as often as necessary, but not less than once in the intervals between Academy Board of Directors meetings.

Each council is expected to submit a cycle report to the executive director for distribution to the Executive Committee two weeks before the meeting and an updated version of that report two weeks before each meeting of the Academy Board of Directors. The staff liaison and director of public policy will work with the vice presidents to draft cycle reports.

Planning and Reporting Schedule
An approximate schedule for annual planning and reporting cycles is outlined below. Staff will provide each vice president with a schedule of Executive Committee and Board of Directors meetings for the forthcoming year and deadlines for cycle reports and other key items. The schedule for budget development and submitting budget reports is discussed in section C of this chapter, “Developing Council Budgets and Monitoring Budget Compliance.”

October–December
- Prepare issues list for initial practice council consideration.
- Meet to finalize key issues list and accompanying action plan in time for publication in the January issue of the Actuarial Update.
- Develop final implementation plans, including required volunteer/staff resources.
- In coordination with the vice president and Academy staff, recruit a vice chairperson who will assist in implementing council goals and who can assume the duties of vice president if necessary.
- Complete necessary volunteer recruitment in time for the new members to be listed in the Yearbook.
- Prepare first cycle report for the Executive Committee.
- Initiate action on new projects.

January–March
- Ensure appropriate coordination of projects with other organizations, their volunteers, and staff.
- Finalize first cycle report for Academy Board of Directors meeting.
- Meet at least once via conference call to discuss progress and new developments and to adjust priorities and plans.
- Continue to implement work plans and monitor the appropriateness of committee and task force assignments.
- Ensure that Capitol Hill briefings by practice councils have been conducted or are scheduled.
April-June
- Prepare second cycle report for the Executive Committee.
- Meet (in conjunction with another organization’s meeting, if possible) to discuss progress on key projects, check status of interorganizational coordination and begin discussing projects that may have budget implications during the forthcoming Academy year.
- Finalize second cycle report for the Academy Board of Directors meeting.

July-September
- Meet to re-examine status of projects, begin considering possible candidates for forthcoming year’s practice council and committees, and initiate discussions of forthcoming year’s key issues and budget requests.
- Submit budget requests for forthcoming year.
- Prepare third cycle report for the Executive Committee.
- Finalize third cycle report for the Academy Board of Directors meeting.

Key Issues
To focus Academy activities, the vice presidents will compile concise lists of key issues in each subject area. This process is to assist in managing the Academy’s resources and to focus on the most important and timely public issues. Vice presidents and their councils will obtain agreement on the list of key issues and ongoing priorities, prioritize those issues, and decide how to best address them. Working with Academy staff and volunteers, the council will set objectives for each issue and determine the type and timing of work products. For the most current list of key issues, see the Academy’s website, actuary.org.

Practice Notes
Practice notes are Academy publications. The councils are charged with monitoring the need for developing new practice notes and revising existing practice notes.

Attendance and Activity Monitoring
Each council member is expected to attend every meeting, either in person or via conference call. When this is not possible, the member is expected to provide input before the meeting. If the absent council member is an Academy committee chairperson, he or she should, in addition to providing input before the meeting, ensure that an appropriate designee from the committee participates in the council meeting.

Under the vice president’s supervision, committee chairpersons are responsible for reporting on the progress of their projects. Council projects are to be monitored by the vice president with assistance from the appropriate staff liaison(s).

Coordination with Other Organizations
Representatives from other actuarial organizations are responsible for coordinating the efforts of the practice council with their specific organization. However, vice presidents should nurture coordination and the effective leveraging of the profession’s volunteer and staff resources by actively seeking opportunities for cooperating on projects of mutual or wide-reaching benefit to others outside the profession. Each member of the council should keep the coordination issue in mind when proceeding with projects. Staff liaisons will also work with representatives from the other organizations to implement the coordination.
Councils and staff should be particularly mindful of the potential for coordinating research efforts of the learned bodies with projects of committees under the councils' supervision. Another important area for coordination is communication with members of the profession.

C. DEVELOPING COUNCIL BUDGETS AND MONITORING BUDGET COMPLIANCE

Budget Development Schedule and Vice Presidential Responsibilities

A budget development schedule will be distributed at the January Board of Directors meeting. Generally, the budget is developed between June and August for presentation to the Budget and Finance Committee and Executive Committee in August or September and to the Board of Directors in September or October, depending on the meeting schedule.

Each vice president is responsible for developing his or her council's budget for the upcoming year and monitoring budget compliance regularly throughout the year.

Vice Presidential Budget Development Process

Each vice president will develop his or her council's budget between June and August with the support of the director of public policy and the appropriate policy analyst, and will coordinate it with the executive director and the director of finance and administration. In the case of the Council on Professionalism, the director of professionalism will support the vice president of professionalism. The budget should be developed based on generic income and expense items so that there is a consistent format among councils. Some generic income and expense items may not apply to all councils.

Generic income and expense items include:

Income
- Manual sales
- "Academy Alerts" subscriptions
- Seminar registration fees
- Geographical listing of enrolled actuaries
- Other

Expenses
- Senior fellow program (contractual and travel)
- Seminars (including number planned)
- Manuals
- Briefings (including number planned, at estimated average cost)
- Practice notes (including number planned, at estimated average cost)
- "Academy Alerts" (including number planned, at estimated average cost)
- Printing (including estimated cost and number of monographs, issue briefs, etc.)
- Postage (special mailings)
- Delivery
- Committee meetings (including location, food, audiovisual equipment, etc.)
- Conference calls (including number of calls at estimated average cost)
- Temporary help (if current staff resources are insufficient for non-recurring project)
- Miscellaneous (e.g., travel reimbursement for actuaries in government or academic service)
- Other

Staff resources should be reviewed for each item in the upcoming budget and, if additional staff is required, the vice president should present a proposal to hire additional staff to the executive director and the President's Advisory Committee. If additional staff is required, a request will ultimately go to the Board of Directors.

Cost Estimates
As a reference for budget development purposes, below are examples of typical costs for meetings, Capitol Hill briefings, conference calls, and such public policy publications as issue briefs and monographs.

Meetings at the Academy
We encourage chairpersons to use the Academy's facilities in Washington. The Academy has a large and a small conference room. The large conference room will hold up to 23 people comfortably; the smaller one will hold eight people. The main cost generally associated with having a meeting at the Academy is meals. Many services that you would have to pay for at an outside location (room rental, speakerphone use, a long-distance connection, a projector, etc.) are provided free of charge.

Examples of costs
Breakfast (hot or cold) ..............................................$5.50-$15 per person
Lunch (hot or cold) ..................................................$11.50-$18.50 per person
Special meal requirements (such as kosher ...........)$25-$50 per person

Meetings at Outside Facilities
The range of expenses generally incurred for meetings at a non-Academy facility is as follows.

Examples of costs
Meeting space ..........................................................$250-$1,500
Flip chart with markers .............................................$15-$50
Speakerphone with long-distance line, plus charges ...........$50-$250
Breakfast (coffee, tea included) .................................$7.50-$35 per person
Beverages (juice, soft drinks, etc.) ...............................$2.50 per bottle
Lunch (hot or cold) ..................................................$18-$70 per person
Special meal requirements (such as kosher) ...............$25-$45 per person
Projector and screen (AV needs) .................................$200-$1,000
Morning and afternoon refreshment breaks ....................$50-$150

The cost of meetings at outside facilities can vary greatly, depending on the number of attendees and the location. For example, a lunch at a nice hotel in Tampa might be $25; in New York City, the same lunch would cost $70. Most facilities add service charges of 10 percent to 35 percent on food and beverage prices, along with applicable taxes. Experience suggests that a small committee meeting (eight attendees) will generally cost about $1,000
at an average-cost meeting location. A larger meeting (20 attendees) at an expensive location could easily cost $5,000 to $7,500.

**Travel Reimbursement Guidelines**

As a general policy, the Academy does not pay for the travel expenses incurred by members attending committee meetings. Under limited circumstances, however, requests for reimbursement of travel expenses may be considered, subject to the guidelines below. Such expenses will be paid from the travel budget of the appropriate committee and require the approval of the relevant Academy officer.

**Guidelines for Travel Reimbursement Requests**

1. Members who are employed by the government or an educational institution are eligible to request a travel reimbursement.
2. A member whose attendance, in person, at a specific meeting is considered "critical," and who is either retired or whose employer has refused to pay the expenses, is eligible to request a travel reimbursement.
3. A reimbursement should be granted only for reasonable travel and lodging expenses. The reimbursement rate for mileage is 36.5 cents per mile in 2002.

**Conference Call Expenses**

Conference calls are an alternative method for a committee to conduct its business. The cost of conference calls arranged through the Academy is 29 cents per minute, per person, plus a 4.6 percent fee. The cost of a one-hour call by 10 people would be approximately $182.

**Capitol Hill Briefings**

Most of the Academy’s Capitol Hill briefings have sponsorship by a member of Congress, which allows the briefings to be held in the Capitol or in a House or Senate office building. Some costs are associated with these meetings, such as food, beverages, and other catering needs.

**Examples of costs**

- Box lunch (with beverages) .............................................. $13-$17 per person
- Linen (tablecloths) ...................................................... $300-$400

These prices assume the use of an outside caterer provided by the Academy. Please note that, depending on the facility and/or for security reasons, the use of outside caterers may not be allowed.

**Publications**

The following is provided as a guide to budgeting for the printing of policy publications. Because distribution costs vary widely, depending on class of mail, the size of the piece, the weight of inserts, etc., they are not included below.

**Issue Briefs:** Press runs are generally 2,400.

<table>
<thead>
<tr>
<th>Number of pages</th>
<th>Approximate cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>$1,100</td>
</tr>
<tr>
<td>8</td>
<td>$1,300</td>
</tr>
</tbody>
</table>
Monographs: Press runs vary, so the table below offers a range of numbers of pages and press runs.

<table>
<thead>
<tr>
<th>Press run</th>
<th>Number of pages</th>
<th>Approximate cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>3,900</td>
<td>22</td>
<td>$5,400</td>
</tr>
<tr>
<td>3,600</td>
<td>33</td>
<td>$6,000</td>
</tr>
<tr>
<td>3,100</td>
<td>30</td>
<td>$5,100</td>
</tr>
<tr>
<td>1,000</td>
<td>40</td>
<td>$3,800</td>
</tr>
</tbody>
</table>

**Vice Presidential Budget Monitoring Responsibilities**

Each vice president is responsible for monitoring budget compliance throughout the year and developing year-end projections for inclusion in the quarterly secretary-treasurer's reports. The vice presidents, directors, and policy analysts will be provided with monthly financial reports to monitor budget compliance.

In April, July, and October, each vice president, working with the appropriate director and policy analyst, will review year-to-date expenditures and projects planned for the remainder of the year to project year-end expenses and comment on progress to date for inclusion in the quarterly secretary-treasurer's report. The director of public policy's role is to oversee all areas of practice and determine if funds need to be reallocated among practice council budgets to fulfill strategic goals. If funds cannot be reallocated among the councils, the vice president must request additional funding from the Executive Committee.

**Summary of Specific Budget Responsibilities**

**Vice Presidents:**
1. Develop budgets to carry out strategic objectives.
2. Participate in the budget development process and approve their practice councils' budgets prior to presentation to the Budget and Finance Committee, Executive Committee, and Board of Directors. The vice president should be able to explain the budget components and the strategic issue each addresses.
3. Develop year-end projections and comment on progress to date, with staff support, on a quarterly basis for inclusion in the secretary-treasurer's quarterly reports.

**Public Policy and Professionalism Directors:**
1. In coordination with the executive director, provide guidance and support to the vice presidents and policy analysts in developing their portions of the Academy budget.
2. Provide the executive director and the director of finance and administration year-end projections approved by the vice president, including explanations of variances from budget for inclusion in the quarterly secretary-treasurer's report.
3. Review the aggregate practice council year-end projections for budget compliance. They report to the executive director if a reallocation of budgeted funds among councils is necessary, or if additional funds need to be requested from the Executive Committee, or if some projects will be deferred or cancelled.

**Director of Finance and Administration:**
1. Provides each vice president, the directors, and each policy analyst with monthly financial reports for monitoring budget compliance.
2. Includes approved practice council budget requests in the Academy budget.
3. Includes approved practice council year-end projections in quarterly secretary-treasurer’s reports.
4. Includes appropriate comments/explanations on progress to date in the notes to the quarterly financial statements.

**Policy Analysts:**
1. Provide support (including average costs for expense items) to vice presidents in developing budgets.
2. Monitor budget compliance, with the director of public policy and vice presidents, and discuss with vice presidents monthly.
3. Approve and code invoices to the appropriate generic expense account.

**D. COMMITTEE PLANNING AND REPORTING**

The Academy has a formal planning and reporting process to assist committee chairpersons in structuring committee activities and facilitating their interface with the practice councils. Likewise, the process assists the Board of Directors and Executive Committee in monitoring committee effectiveness and resolving any policy issues that may arise. Documents produced in the process are used by staff to inform the membership of committee activities.

Committee chairpersons should submit or discuss a committee plan with the appropriate vice president at the beginning of the Academy year.

The plan should be discussed with the committee and may include the following:

- An outline of anticipated committee goals and activities for the coming year.
- Highlights of anticipated statement activity, anticipated standards activity, or other public interface activity.
- Other matters, at the discretion of the chairpersons.

Committee chairpersons are expected to give the applicable vice president and policy analyst copies of agendas and minutes of committee meetings and other committee communications during the course of the year. The vice president may also request that others receive copies of the materials.

**Staff Support Coordination**

Academy staff offers support for committee activities wherever possible, subject to constraints imposed by available resources and competing priorities. In the past, such staff support has varied substantially from committee to committee. Chairpersons who perceive that their needs for staff support are likely to change materially from the recent past are encouraged to discuss requests with their staff liaison and the director of public policy, if appropriate, to aid in scheduling and allocating staff resources. If there are any overall problems with staff support, they should be raised with the executive director and/or vice president.
E. COMMITTEE APPOINTMENTS

Committee Appointment Guidelines

Preamble
In accordance with the bylaws of the American Academy of Actuaries, the president appoints committees authorized by the Board of Directors. To aid the president in making such appointments, the board adopted the following guidelines with this preamble at its meeting on Oct. 31, 1980. These guidelines reflect the board’s intention to involve as many members as possible in committee activities without sacrificing continuity. However, the effectiveness of committee work is paramount, and as a consequence, strict adherence to the guidelines is not expected, particularly with respect to committees that interface regularly with other professions and/or government.

Committees for which specific appointment rules are established by the board (e.g., Nominating Committee, Actuarial Standards Board) are exempt from the guidelines. Appointments to joint committees and liaison appointments are subject to the guidelines applicable to standing committees, although certain of the liaison appointments must be board members, pursuant to Academy policy and agreements with other organizations.

Guidelines
1. All members of the Academy are eligible to serve on committees.
2. An officer of the Academy should not serve on any committee except in an ex officio capacity.
3. A person should be chairperson of a standing committee for no more than three years and should retire from the committee after serving as chairperson.
4. A person should remain on a standing committee for no more than three years unless such person becomes chairperson by the end of that period.
5. In general, a person should not serve concurrently on more than one standing committee.
6. In general, a person appointed to a task force or a special committee is expected to serve until the task force or special committee is discharged.

Appointment Considerations
The staffing of committees is important to ensuring quality work that is accepted throughout the profession. The following are items to consider:

- Obtaining volunteers who are willing to work.
- Balancing such factors as specialty, employment, and geography.
- Representing an opinion where diversity is known to exist.
- Finding potential future chairpersons.
- Involving members with no previous Academy committee experience.

Each committee chairperson is requested to observe the committee appointment guidelines printed above. (They are also included in the Yearbook.) However, chairpersons are requested to replace ineffective committee members before the normal term specified in the guidelines.
Appointment Procedures
Committee chairpersons recommend committee membership to the vice president for approval in time for the new members’ names to be published in the Yearbook. As an aid to committee staffing, the Academy staff will distribute each year a tabulation of the membership of each committee. This listing is intended to help committee chairpersons and supervisory officers comply with the committee appointment guidelines.

Notifying the Academy
Each committee chairperson should submit the committee roster to its Academy staff liaison in time for publication in the Yearbook. Any subsequent changes in committee membership are to be reported as they occur. It is essential that the Academy have a current membership roster for all committees at all times, since the office is responsible for numerous committee mailings.

Other Actuarial Organization Liaisons
In the staffing of certain committees, the input of ASPA, the CAS, the CCA, and the SOA must be sought. Because committee chairpersons may not be aware of the need for this input, it is the responsibility of the appropriate supervisory officer of the Academy to notify any committee chairperson of those instances in which such input should be solicited before staffing the committee in question.

Appointing a Committee Vice Chairperson
In order to ensure continuity, committee chairpersons should consider appointing vice chairpersons. The appointment of each vice chairperson is approved by the supervisory officer (the vice president of the practice council). Vice chairpersons generally should be individuals who may be in a position to step up to the position of committee chairperson. Although appointment as vice chairperson is not a pledge that the individual will become a chairperson at a future date, it does provide the committee with additional leadership.

Courtesy Letters
Every new committee member should receive a welcoming letter from the committee at the beginning of the Academy year. Every retiring committee member should receive an appreciation letter from the chairperson. Copies of these letters, as with all other communications on Academy letterhead, should be sent to the appropriate Academy staff liaison.

F. MEETING PROCEDURES AND GUIDELINES

Committee Meetings
Periodic meetings are required to secure the extent and depth of interchange of views necessary for effective committee performance. The frequency of meetings is at the discretion of the committee chairperson. Many committees have found it productive to meet in person at least quarterly to sustain committee momentum and encourage member enthusiasm and commitment. Other chairpersons have found conference calls to be an effective alternative, especially when they are dealing with a single issue or a small number of issues.

Except under unusual circumstances, the Academy staff liaison attends all full committee meetings and, to the extent necessary and possible, attends meetings of committee work groups and subcommittees. The purpose of staff attendance is to ensure appropriate staff support for committee activities.
Planning and Budgeting Meetings
Academy staff work closely with the chairperson in making meeting arrangements. The following procedures are applicable:

- Chairpersons are requested to supply all pertinent information as soon as it is known. This information includes dates, city, an estimate of expected attendance, starting and ending times, special meal requirements and set-up requirements.
- All arrangements for a meeting at the Academy, a hotel, or another facility will be handled by Academy staff. Staff will make all meeting room and meal arrangements, send notices to committee members, and tabulate the responses for the committee chairperson.

Board and Committee Meetings
The Board of Directors has adopted the following policy with respect to attendance at, and participation in, Academy meetings.

1. The Academy's meetings (including conference calls) are open to its members, and to guests invited by the committee or task force chair, with the exceptions of the Nominating Committee, the Budget and Finance Committee, Personnel and Compensation Committee, and the Committee on Discipline, whose meetings are closed. However, portions of the Executive Committee and Board of Directors meetings may be closed for executive sessions, as well as portions of committee and task force meetings when necessary to consider confidential information where such consideration is essential to accomplish tasks assigned to the committees or task forces by the Board of Directors, the Executive Committee, or the appropriate Vice President. Committee or task force meetings may be closed to members only for the purpose of considering confidential information with the prior consent of the appropriate Vice President or the President, and subject to any terms, conditions, or restrictions that the Vice President or President may impose. The decision to permit a committee or task force to close its meetings shall be reported to the Board of Directors at its next regularly scheduled meeting.

2. Academy staff attends meetings and conference calls as appropriate.

3. Members attending Academy meetings (including conference calls) should inform the committee chairperson of their presence (in-person or on a conference call), and are free to observe the conduct of those meetings. They may participate in discussions only with the consent of the chairperson.

4. Conference call schedules will be listed appropriately on the Academy website. However, the Academy reserves the right to reschedule, cancel or postpone meetings and conference calls at the request of committee members. Reasonable efforts will be made to update meeting and conference call schedules on a timely basis.

G. PROFESSIONALISM CONSIDERATIONS

Many of the Academy's active members focus their volunteer efforts on public policy or communications efforts, and they may consider professionalism a separate area of Academy activity. However, just as professionalism is essential to actuarial work, it is integral to the Academy's public policy and communications activities.
Some of the areas where professionalism and public policy or communications interrelate are:

- proposed laws
- amicus curiae briefs
- presentations
- committee work
- seminars
- support to the Council on Professionalism

**Proposed Laws**

Many proposals for new or revised statutes or regulations involve issues of actuarial conduct, practice, or qualification. For example, a proposed regulatory approach to reserving might conflict with an existing actuarial standard of practice. A proposed statute might call for an actuary to reveal what would otherwise be confidential information, in violation of the Code of Professional Conduct. A draft regulation might call for an actuarial certification without requiring the certifying actuary to be a member of the Academy and therefore subject to the qualification standards.

Please keep professionalism issues in mind when reviewing proposals for new or revised laws and feel free to contact the Council on Professionalism for assistance in addressing the professionalism aspects of those proposals in comment letters or testimony.

It is also important that Congress, state legislators, and regulators appreciate the professionalism of actuaries. For example, during the public debate concerning cash balance plan conversions, the Academy wrote to Congress emphasizing that the profession has a Code of Professional Conduct that would prohibit actuaries from participating in schemes to defraud participants, and we believe that the correspondence helped repair damage to the profession's reputation. Please remember to emphasize the professionalism of actuaries as appropriate in comment letters or testimony, and call upon the Council on Professionalism for any assistance you may require.

**Amicus Curiae Briefs**

One way that the Academy addresses public policy issues affecting actuaries is by filing amicus curiae (friend of the court) briefs in litigation. These briefs are developed by the practice councils and the Academy Legal Department, and they often involve professionalism issues. If you become aware of litigation that has the potential to affect the Academy's members or that addresses issues of an actuarial nature, consider contacting the Legal Department to request an amicus curiae brief.

**Presentations**

At actuarial meetings, Academy volunteers often make presentations concerning Academy activities or various aspects of practice. To the extent that relevant actuarial standards of practice exist or are being developed, it is useful to make reference to those standards in the presentation to enhance audience sensitivity to professionalism issues. Similarly, if a particular topic raises issues relevant to the Code of Professional Conduct or qualification standards, it is helpful to mention those as well.
Committee Work
As Academy members work on public policy and communications projects, they should do so in compliance with the Code of Professional Conduct. (The Academy's conflict of interest policy emphasizes one aspect of this need for compliance; its policy on use of membership titles and designations addresses another.) Public statements are often, if not always, statements of actuarial opinion, and should comply with the code, relevant actuarial standards of practice, or the qualification standards.

Seminars
The Academy's councils occasionally offer seminars on various aspects of practice. (For example, the Financial Reporting Council has held a seminar on the modeling aspects of its unified valuation system project.) Seminars can be essential to ensuring that actuaries have the necessary basic and continuing education to meet the qualification requirements of the Code of Professional Conduct.

Please consider whether there are particular subjects in your practice area that need to be addressed with a seminar. For example, the Life Practice Council suggested the need for a seminar for illustration actuaries. Please contact the Council on Professionalism if you would like help developing professionalism content for any seminar.

Support to the Council on Professionalism
The practice councils can support the work of the Council on Professionalism in a number of ways. They can develop comments on proposed actuarial standards of practice or changes to the Code of Professional Conduct or qualification standards; these comments are invaluable to the development of appropriate standards of conduct, practice, and qualification. The councils can also assist by notifying the Actuarial Standards Board when it appears that a new actuarial standard of practice is needed or that an existing standard needs to be revised or repealed. The councils also develop practice notes that compile practices used by actuaries to comply with applicable law and actuarial standards of practice. In some instances, the councils also help the Council on Professionalism update its applicability guidelines for the actuarial standards of practice.

H. INTERNET TOOLS FOR LEADERSHIP GROUPS
Academy leadership groups — councils, committees, task forces, work groups, etc. — can use two main Internet communication tools to facilitate their work: controlled-access list serves and web pages.

List Serves
A list serve is an e-mail-based tool. It uses a controlled-access list to allow a group to easily exchange messages between individuals or among the entire group. The Academy's controlled-access lists are maintained by Academy staff. http://lists.actuary.org/cgi-bin/lyris.pl? is the web interface for all Academy list serves. We suggest you bookmark it for quick access.

Policy
Access to an Academy list serve is restricted to members of the leadership group and to appropriate Academy staff. Access can be given to other appropriate individuals (such as interested parties) upon authorization.
The senior Academy officer (president, vice president, secretary-treasurer, as appropriate) may delegate the authority to approve additions to the list serve to the chairperson of a committee, task force, or work group under his or her authority.

An Academy leader shall have access to the list serve being used by the leadership groups under his or her authority, if he or she so chooses.

**Procedure**
The technology manager will work with the designated Academy leader and other staff to create the list serve, establish the security system, notify members of the leadership group when the list serve has been approved for implementation, and maintain the master list.

**Web Pages**
Web pages for leadership groups are an emerging Academy tool. They are accessed by individuals authorized through a controlled list. They can be used to post current versions of working documents, detailed calendars, agendas and minutes of meetings, and lodging information; to archive e-mail discussions; etc.

**Policy**
The appropriate senior Academy officer, or his or her designee, will decide whether a leadership group needs a controlled-access web page.

Access will be restricted to members of the leadership group and to appropriate Academy staff. Access can be given to other appropriate individuals (such as interested parties) upon authorization.

The senior Academy officer of a leadership group (president, vice president, secretary-treasurer, as appropriate) may delegate the authority to approve additions to the controlled-access web page to the chairperson of a committee, task force, or work group under his or her authority. Academy leaders shall have access to the controlled-access web pages being used by the leadership groups under their authority, if they so choose.

**Procedure**
The senior Academy officer, or his or her designee, will inform the Academy's technology manager that the group wants to establish a controlled-access web page.

The technology manager will work with the Academy leader and other staff to create the web page, establish the security system, notify members of the leadership group when the web page has been approved for launch, and administer the access list.

It will be up to the designated Academy leader to establish with his or her group's staff liaison the protocol for posting the group's information on the web page. The protocol will be reviewed by the director of public policy, the technology manager, and the general counsel to ensure that it is in compliance with the Academy's procedures and legal requirements.

(Note: These policies and procedures do not cover such controlled-access electronic Academy products as the P/C Loss Reserve Manual, Life and Health Law Manual, and Academy Alerts.)
10. Legal Considerations
10. Legal Considerations

Members in leadership may be called upon to represent or act on behalf of the Academy. As such, they can create legal liability for themselves and the Academy if they act improperly. It is, therefore, imperative that Academy volunteers be sensitive to legal concerns.

A. Scope of Authority

The scope of your authority to speak or act on behalf of the Academy will depend upon the nature of your assignment. The authority of officers and directors is specifically delineated in the bylaws. Committee chairpersons and members may act only to further the specific charges of their task forces and committees or to fulfill particular requests from the Board of Directors, Executive Committee, or councils. Please be certain that you and the members working with you do not exceed the scope of your authority, and contact the appropriate supervising member with any questions concerning the scope of your responsibilities.

B. Antitrust Policy

It is the policy of the American Academy of Actuaries (the “Academy”) to operate in compliance with the requirements of applicable law, including federal antitrust laws. Individuals participating in Academy activities are authorized to do so only in accordance with antitrust and other applicable laws and in furtherance of the Academy’s lawful fulfillment of its mission and objectives. In particular, individuals participating in Academy activities must refrain from engaging in conduct that unreasonably restrains commerce or trade or that constitutes a concerted action significantly diminishing competition between actual or prospective competitors. Per se violations (i.e., practices that are presumed to violate antitrust laws regardless of intent) include: agreements to fix or stabilize prices, agreements to divide markets, agreements to restrict product production or distribution, or group boycott.

At public meetings and seminars sponsored by the Academy, the Academy will publish a statement on antitrust compliance in the meeting or seminar program and refer to the statement at the beginning of each meeting or seminar. Individuals participating in the meeting or seminar will be required to comply with the Academy’s antitrust policy. However, individuals participating in Academy activities are permitted to discuss business activities for purposes of influencing legislation, regulation or court decisions, so long as such discussions are not conducted as a pretext for otherwise unlawful concerted action of the sort described above.

Questions concerning the application of antitrust law to an individual’s participation in an Academy activity may be directed to the Academy’s General Counsel.

- Agreeing with competitors on the price to be charged for particular goods or services (including salary levels for in-house work), or whether a fee should be charged for a particular activity or service
- Agreeing with competitors to divide up a particular market by geographic area or by field of actuarial expertise
• Agreeing with competitors to limit the availability of particular goods or services, or to make certain goods and services available only to customers who contract for an additional level or type of goods or services
• Agreeing with competitors to refuse to provide a particular service, or to work for a particular client or employer
• Agreeing with competitors to refuse to purchase goods or services from a particular vendor

Please also note that, in circumstances where the Academy and other organizations representing actuaries may be deemed to be in competition for members, students, or meeting attendees, antitrust issues may arise. When dealing with situations in which antitrust issues may arise, please contact the Academy’s general counsel for specific guidance.

C. COMPLIANCE WITH ACADEMY POLICIES

The Academy has adopted a number of policies to govern its operations, most of which appear in this manual. Please familiarize yourself with these policies, and make sure that your activities on behalf of the Academy comply with them. Two Academy policies of particular legal significance are:

Equal Opportunity Policy
The Academy is an equal opportunity employer and prohibits unlawful discrimination against its staff and membership. Please carefully review the equal opportunity policy, which is included below, and make sure your member activities comply fully with it. Questions concerning the policy may be addressed to the general counsel.

Equal Opportunity Policy
(Adopted by the Executive Committee of the American Academy of Actuaries August 18, 1993)

The American Academy of Actuaries ("the Academy") is an equal opportunity employer. It also offers services, membership benefits, and opportunities to its present and prospective members (referred to hereinafter collectively as "members") on a nondiscriminatory basis. It is the Academy's policy to refrain from unlawful discrimination against employees and members on the basis of race, color, national origin, ancestry, personal appearance, age, gender, pregnancy, marital status, sexual orientation, family responsibilities, religious affiliation, matriculation, political affiliation, physical, mental, or emotional disability, source of income, place of residence, or unfavorable discharge from military service, as those terms are defined by applicable state and federal law. These characteristics are referred to hereinafter as "protected characteristics." ¹

Further, it is the Academy's policy to provide its employees and members with a working environment that is free from unlawful discrimination based upon any of the protected characteristics described above. No Academy employee or member should be subjected to such discrimination while working for, or engaging in activities conducted by, the Academy.

¹ The list of protected characteristics is compiled from applicable District of Columbia, Illinois, and federal laws.
It is also a violation of this policy for an Academy employee or member to seek to retaliate against any individual for complaining of a violation of the Academy’s anti-discrimination policy.  

**Document Retention Policy**

The Academy has adopted a document retention policy that provides for the orderly retention and destruction of documents. A copy of the policy is included below. Please familiarize yourself with the policy and take steps to ensure that you and other members working under your direction conform to the policy in dealing with Academy documents. Questions concerning the document retention policy may be addressed to the general counsel.

**Document Retention Policy**

| Tax records: | To be retained for seven years |
| Insurance records: | Permanent |
| General ledger: | Permanent |
| Audit materials: | To be retained for seven years |
| Personnel files: | Permanent for the duration of employment, retained for five years after termination |
| Employment applications & resumes: | To be destroyed after position is filled; no resumes to be retained on file for potential openings |
| General files: | To be retained for three years after project that is subject of file is completed |
| Minutes: | Permanent |
| Contracts: | Permanent until superseded; retain for one year after termination date |
| Board & committee agenda materials: | To be retained for three years |
| Committee files: | To be retained for three years, except for documents related to pending projects |
| Public statements: | Permanent |
| Chronological file: | To be retained for three years |
| Discipline files: | Permanent |
| Publications: | Permanent until superseded |
| Drafts: | Except as otherwise provided, all drafts of documents should be destroyed as soon as the final document is completed. This applies to all documents produced by the Academy and its committees. |
| Qualification standards: | Permanent until superseded |
| Code of Professional Conduct: | Permanent until superseded |

---

1 This statement is not intended to preclude the good-faith exercise of an individual's legal rights.
Exposure drafts: Permanent, with comments to be destroyed when final standard or code adopted

**ASB Documents**

- Standards: Permanent until superseded
- Exposure drafts: Permanent, with comments to be destroyed when final standard or code adopted
- Correspondence: To be retained for three years
- Publications: Permanent until superseded
- Committee files: All material related to adopted standards should be destroyed when the standard is adopted; material related to pending projects should be retained.
- Drafts: Except as otherwise provided, all drafts of documents should be destroyed as soon as the final document is completed.

**ABCD Documents**

- Discipline files: Permanent
- Exposure drafts: Permanent
- Correspondence: To be retained for three years
- Publications: Permanent until superseded
- Committee files: Materials should be retained for one year except as related to pending projects
- Drafts: Except as otherwise provided, all drafts of documents should be destroyed as soon as the final document is completed.
- "One-copy rule": Only one file copy of each non-permanent document should be retained in the Academy office and only for the above-stated retention period.

**Conflict of Interest Policy**

The Academy has adopted the following mission statement to guide its activities on behalf of the actuarial profession and the public:

As the organization representing the entire United States actuarial profession, the American Academy of Actuaries serves the public and the actuarial profession both nationally and internationally through:

a) establishing, maintaining, and enforcing high professional standards of actuarial qualification, practice, and conduct,

b) assisting in the formulation of public policy by providing independent and objective information, analysis and education, and
c) in cooperation with other organizations representing actuaries,
• representing and advancing the actuarial profession, and
• increasing the public’s recognition of the actuarial profession’s value.

These fundamental purposes of the Academy require it to maintain a high level of professional objectivity and independence from any specific interests of the employers of its members. Therefore, members who work on the Academy’s behalf must carefully consider and address any situation that may arise with respect to the members’ activity, or the activity of any member working with them, which may call into question their professional objectivity.

Members should comply with the Code of Professional Conduct whenever they provide services to the Academy. Members should familiarize themselves with Precept 7 of the code, which provides specific guidance on dealing with conflicts of interest. Any actual or potential conflict, real or apparent, with this objective must be dealt with using the guidance provided in Precept 7, treating Academy work like “Actuarial Services” as defined in the Code of Professional Conduct. Disclosures required under Precept 7 should be made to the member supervising the activity in question.

Any question or concern about the possibility of a conflict of interest with respect to any work a member may perform on behalf of the Academy should be addressed to the member supervising the activity or to the Academy’s general counsel.

D. LIABILITY INSURANCE

Academy committees and task forces may occasionally engage in activity that could result in the initiation of a lawsuit against the Academy and/or its members. The Academy maintains liability insurance that covers all Academy officers, directors, members, and staff when engaged in Academy activities.

Additionally, Article 13 of the Academy bylaws provides for indemnification of Academy members against costs and expenses incurred in connection with the defense of a suit against such an individual arising out of Academy activities. Please familiarize yourself with the specific provisions of Article 13.

Finally, prudence may suggest that each member consider liability insurance coverage that may be available through his or her employer to cover his or her activities on behalf of the Academy.

E. CONSULTATION WITH ACADEMY LEGAL COUNSEL

The Academy’s general counsel and attorney are available to provide legal advice to committee chairpersons, and committee chairpersons are encouraged to consult the Legal Department whenever issues arise that may have legal ramifications. (In some instances, outside counsel may also be retained. However, only the president and the executive director have authority to retain outside counsel on the Academy’s behalf.)

When working on behalf of the Academy, members may receive from the Legal Department communications marked “Privileged and Confidential—Attorney-Client
Privileged. These communications contain confidential legal advice to assist in work on the Academy's behalf and are exempt from discovery in litigation so long as they remain confidential. However, if these communications are shared with outside parties, the privilege is waived and the communications, as well as the issues discussed therein, may become susceptible to discovery. Please consult the general counsel before sharing privileged communications with third parties.
11. Communications

The Academy serves as the public information organization for the actuarial profession in the United States. Part of the core mission of the Academy is to represent and advance the actuarial profession, assisting in the formulation of public policy and increasing the public's recognition of the profession's value. To this end the Academy has developed a broad-based communications program that targets key audiences using a variety of strategies and techniques.

A. Communications Strategy

The three strategic directions of the communications program, as derived from the Academy's strategic plan, are:

1. Improve member communications. Conduct an ongoing information program for members that keeps them apprised of the Academy's activities, accomplishments, and goals and provides them with information of professional value, thereby reinforcing and validating the value of membership.

2. Provide sound policy information. Convey actuarial public policy research and analysis to targeted audiences to assist in the development of sound public policy.

3. Promote the profession. Enhance the image of actuaries and the actuarial profession by providing clear and convincing evidence of the contributions of actuaries to improving the public policy debate, setting high standards of ethical conduct, and protecting the interests of the public.

B. Communications Tactics and Tools

There are two major communications channels the Academy uses to reach its target audiences. In most cases a combination of channels and tools is used to reach target audiences.

Direct Communication Channels

Direct communications involve the use of tools to provide information directly to the target audience. The effectiveness of direct communication tools is generally in proportion to audience familiarity and confidence in the source, which makes this channel ideal for member communications. Commonly used tools include direct mail, websites, list serves, and advertising, as well as others.

Member participation is critical to the success of the Academy's direct communications program. Members can contribute by authoring articles for Academy or other organizations' periodicals. Article topics range from important public policy and professionalism issues to occupational trends in the profession, business tips, or book reviews. Below is a list of the Academy's publications with information on submitting material.
Periodicals

*Actuarial Update* is the Academy’s monthly membership newsletter. It focuses on the Academy’s activities in public policy and professionalism. Members are encouraged to submit articles on committee activities, emerging public policy or professionalism issues, or general topics of particular interest to actuaries.

It is very important that prospective authors contact the editor as early as possible to discuss space availability, editorial guidelines, publication timing, etc. Additional time is needed to review unsolicited articles.

**Submission Deadline:** Articles are due no later than the first week of the month prior to the publication date. For example, articles for the January 2003 issue are due on December 6. This schedule allows time for articles to be edited and reviewed by the author and members of the Update’s Advisory Board, before going into layout and printing.

**Contact:** Linda Mallon, Editor, (202) 785-7876, mallon@actuary.org.

*Enrolled Actuaries Report (EAR)* is the Academy’s quarterly newsletter that covers issues that are important to enrolled actuaries. It is published in March, June, September, and December and is mailed only to the EAs.

It is very important that prospective authors contact the editor as early as possible to discuss space availability, editorial guidelines, publication timing, etc. Additional time is needed to review unsolicited articles.

**Submission Deadline:** Articles are due the first day of the month prior to publication date. For example, articles for the March 2002 issue are due no later than February 1. This schedule allows time for articles to be edited and reviewed by the author prior to layout and printing.

**Contact:** Linda Mallon, Managing Editor, (202) 785-7876, mallon@actuary.org.

*Contingencies* is the bimonthly magazine of the Academy, providing a large and diverse readership with general interest and technical articles on a wide range of issues related to the actuarial profession. *Contingencies* is mailed to members of the Academy and targeted individuals (such as legislators and their staffs, regulators, business executives, and related organizations), for a total circulation of 23,000. It is the only Academy publication that accepts advertising, generating more than $500,000 annually.

Because of *Contingencies*’ long production schedule, article ideas should be discussed far in advance of the publication date. It is very important that prospective authors contact the editor as early as possible to discuss space availability, editorial guidelines, publication timing, etc. Additional time is needed to review unsolicited articles. For a complete description of the article submission guidelines, go to the *Contingencies* website at www.contingencies.org.

**Submission Deadline:** Articles are due in final form two-and-a-half months prior to the publication date. For example, articles for the November/December edition are due on August 15.
Academy Websites
The Academy manages a number of websites as primary sources of information for members and the public. Members can submit material for consideration for the Academy’s websites through the appropriate contact. Material that is published by the Academy is always placed on the Academy website. The website also offers members the opportunity to publish longer versions of the articles they authored for Actuarial Update, Enrolled Actuary Report and Contingencies. (See section E for further information on the website.)

Academy website: www.actuary.org.
Contact: Anne Richardson, Managing Editor, New Media and Member Publications, (202) 785-7864, richardson@actuary.org.

Contingencies website: www.contingencies.org
Contact: Anne Richardson, Managing Editor, New Media and Member Publications, (202) 785-7864, richardson@actuary.org.

Public Policy and Professionalism Publications
Monographs are major white papers on key public policy issues written under the auspices of Academy councils. Monographs are distributed to target audiences in the public policy community and the media.

Issue Briefs are short discussion papers on key issues, distributed to target audiences in the public policy community and the media.

Professionalism guidance is provided to members through the distribution of Actuarial Standards of Practice (ASOPs) and the ASB Boxscore.

Indirect or “Conduit” Communication Channels
Indirect communications involve providing information to a targeted audience through a conduit vehicle (such as the media). The two tools that the Academy uses in its indirect communications operations are media relations and external relations.

Media Relations
Media relations is the craft of matching information to the right media outlets, in the right package, at the right time, so that the media outlet will consider it newsworthy. A media relations program is generally divided into three parts: 1. Proactive campaigns; 2. Reactive programs; 3. Relationship programs.

Proactive Media Relations
Proactive media relations involves the creation of specific campaigns to generate coverage. The three cardinal principles of proactive campaigns are:

Principle 1: Establish newsworthiness. The job of a media outlet is to deliver to its readers the information it promised to deliver to them. The media are audience driven, audience centered and audience sensitive. Therefore, a story is newsworthy as defined by the news outlet (not the news source). Campaigns must be designed so that the information can be presented per the needs of the media outlets’ markets.
Principle 2: Packaging. Targeting journalists with a sharp, attention-getting message focused on the outlet's audience is the key to getting the media's attention. The information must be easily accessible (both technically and intellectually).

Principle 3: Timing. The campaign needs to be planned and timed to match the prevailing news cycles of the issue.

Reactive Media Relations
The Academy has established itself as a reliable news source to numerous media outlets, particularly in the trade press. In order to be an effective news source, it is important that it is constantly prepared to respond to journalists' inquiries. In all cases, giving a reporter a good answer quickly is far better than giving him or her a complete, precise answer too late.

The key principles of reactive media relations are:

1. **Respond quickly.** Because most journalists are under tight deadlines, it is critical that responses to inquiries be prompt.

2. **Be honest.** If you can answer their questions, then do it quickly. If you can't, tell them right away.

The Academy has developed an informal network of expert spokespersons from its practice councils who can respond to reporter's questions. The Communications Department is in the process of developing a formalized system of actuarial experts.

Relationship Media Relations
Relationship-building projects, such as media briefings, lunches, advertising, and promotional materials, are used to widen and strengthen the Academy's network of contacts, especially with key trade media. Members of leadership are encouraged to work closely with the Communications Department to develop new relationships with key members of the media using these techniques.

Media Relations Assets
The Academy's media relations program capitalizes on the Academy's assets and available resources, which include:

- Credibility as a source of independent and objective policy analysis
- Nonpartisan reputation
- Broad expertise and superior technical knowledge and skills
- Information gathering and dissemination capabilities

Media Relations Tools
The Academy employs numerous tools to provide media outlets with information of value to their audiences. Some of the tools used to reach out to the media include:

- Media advisories
- News releases
- News conferences
Official Academy Spokesperson Program

In order to improve the Academy’s reactive media relations capabilities, each practice council is being asked to identify two to six members who can serve as official Academy spokespersons to respond to calls from the media. A spokesperson should be identified for each of the “key issues” of the practice council.

Spokespersons will be given appropriate media training to learn interview techniques and message point development for print, radio, and television. The Academy's communications staff will also work closely with each spokesperson in fielding calls, scheduling interviews, and writing background and follow-up materials. A profile of each spokesperson will appear on the Academy’s website with contact information.

A commitment as a spokesperson should be for at least a one-year term. Spokespersons should be prepared to respond to media inquiries in a timely manner and to stay in close contact with Academy staff. Appropriate permission should be obtained from the spokesperson’s employer.

For further information, contact Noel Card, director of communications, at 202-223-8196.

C. MEDIA RELATIONS OPERATING PRINCIPLES AND PROCEDURES

Proactive Media Campaigns

The following are proposed operational principles and processes for major proactive media campaigns conducted by the Academy.

I. Strategies
A. The goals of a proactive campaign should always include: 1) promoting the profession and actuarial science; 2) serving the public interest.
B. All statements will be attributed as the official position of the Academy/practice council.
C. Releases should be timed to maximize media coverage. However, great care should be taken to ensure that the Academy’s campaign is not perceived as a partisan or industry effort.

II. Process
A. A full discussion of the cost/benefit of a media relations campaign must be completed in writing (project prospectus) for approval by the president and appropriate vice

---

1 These procedures apply to proactive media relations campaigns not directly based on Academy work products. Established procedures on public statements will be followed in the case of approved Academy work products.

2 If the vice president is unavailable, the vice chairperson will be consulted for approval (unless the vice president designates a different member).
president(s) before operations commence. The project prospectus will identify all critical clearance points early in the process for major media events and/or statements, and will be developed with appropriate Academy staff input.

B. Substantive statements of policy not derived from Academy work products must be approved by the appropriate vice president(s). FYI copies of the statements will be sent to the president immediately upon clearance by the vice president.

C. All documents to be cleared by the vice president are to be the final versions.

D. All quotes must be cleared by the person being quoted.

III. Operations
A. Major media campaign plans should be developed in conjunction with appropriate vice president(s) and policy staff, with sufficient lead times to ensure that a quality product can be produced and a campaign conducted.

B. Media-specific materials (print, television, radio, editorial, trade) should be developed for timed targeted releases.

C. A regular program of monitoring stories on high priority issues (such as cash balance, Social Security, Medicare, prescription drug benefits, etc.) needs to be developed to allow the Academy to respond to stories in a timely manner.

IV. Tactics
A. Always use final, approved materials when teasing a story/event.

B. Inform all impacted parties (such as associations, government agencies, etc.) in a timely manner, by communications or policy/other staff. Impacted parties should be listed in the project prospectus.

C. Respond rapidly, respond often, and respond loudly to misrepresentations of the academy’s work. This will require a quick/pre-clearance system to be outlined in the project prospectus.

D. EXTERNAL RELATIONS

In 2001, the Academy launched an external relations program to reach out to related non-actuarial, non-government organizations. This program connects members of the Academy with appropriate counterparts in think tanks and trade, membership and professional organizations to expand the Academy’s influence in the development of sound public policy. Both individual/small group outreach and large group outreach tactics are being used in this program. Examples of techniques used in this program include:

Individual/small group outreach
- Capitol Hill visits
- Executive agency visits
- Luncheons, small group meetings

Large group outreach
- Conference exhibiting, event sponsorship and advertising
- Capitol Hill policy or educational briefings
- Academy members speaking at conferences of related organizations
- Articles placed in other organizations’ periodicals
- Image advertising
• Academy members on other organizations’ work groups, or government commissions, etc.
• Reciprocal web links

E. WEBSITE RESOURCES: ACTUARY.ORG

The Academy’s website was redesigned in June 2001 to make it more informative and easier to use. The redesign, which incorporated suggestions from Academy members at all levels, brought a broad restructuring of the website and numerous technical improvements to speed downloading and navigation. One of the main goals was to keep most of the content within three clicks of the home page.

Site Structure

Basically, the new site is organized like a newspaper. The home page is the front page. At the top of every page on the site are blue tabs linking to the main sections:

• Casualty (www.actuary.org/casual.htm)
• Financial reporting (www.actuary.org/financial.htm)
• Health (www.actuary.org/health.htm)
• Life (www.actuary.org/life.htm)
• Pension (www.actuary.org/pension.htm)
• Professionalism (www.actuary.org/professi.htm)

These six sections, along with the Issues index, are the heart of the new site. The council sections have their own “front pages” featuring news about recent council projects and links to committee rosters, related practice notes, related ASOPs, the Academy Yearbook, cycle reports, practice-related material in the Issues index, and other information.

Every page of the website has the councils’ blue tabs at the top, so you can quickly get to information about another practice area from anywhere on the site.

And every page of the site has the same light-green navigation bar running down its left side, so you can move immediately to Search, About us, Resources (including resources for policy-makers and for the media and public), News, Events (including a calendar), Publications, Issues, Jobs, Join (the membership section), Standards (the ASB) Proposed standards (ASB exposure drafts), Counseling & Discipline (the ABCD), Directory (the actuarial directory), and Links.

Several of these areas are new features, created during the redesign. One of the handiest is the Issues index (www.actuary.org/issues.htm), which groups resources of all kinds — from monographs and issue briefs to Powerpoint presentations and Contingencies articles — by topic, with the most recent materials listed first.

The Issues index is the place to go when, for example, you want to find the most recent Academy publication on a specific topic and aren’t sure what publication is. Currently, the main topics in the index are:
Each of these topics is broken into smaller categories. For instance, the Health index includes genetic issues, long-term care, managed care, a link to Medicare issues, medical information privacy, risk-based capital, and archives.

**Site Use Suggestions**

- **Bookmark the home page** (www.actuary.org) and check it perhaps once a week to stay current with some of the highlights of the Academy’s current activities.
- **Bookmark the Issues index** (www.actuary.org/issues.htm) and use it to find current Academy information on a specific subject.
- **Whenever you’re not sure where to find something, take a look at the site index** (www.actuary.org/sitemap.htm). (A copy of the site index is included at the end of this section.) You can access the site index from either the Search button, the About Us button, or the footer of any page on the site.

**Site Evolution**

The website is a dynamic resource, not a static product. It will continue to evolve to meet the needs of Academy members and other key Academy audiences.

Member input is vital to the ongoing improvement of the website. Staff will continue to seek comments and suggestions from those in the leadership, as well as from members who may have little direct involvement with the Academy aside from visiting the website.

Contact Academy staff when you have a suggestion for improving the site or a problem using it. For comments involving the site’s content or structure, contact the managing editor for new media, Anne Richardson (richardson@actuary.org, 202-785-7864). For comments about technical issues, contact the web developer, Mary Connelly (connelly@actuary.org, 202-785-7879).
Index

Academy
   creation, 99
   description, 139
   history, 99
   mission, 51
   staff organizational chart, 148
   structure, 6
   titles and designations, using, 75

Actuarial Board for Counseling and Discipline (ABCD), 50, 85, 86; see also Discipline
   advisers, 61
   appointment to, 60
   Academy bylaws, 59
   confidentiality, 62
   communications, 63
   counseling, 62
   creation of, 101
   document retention policy, 165
   finances, 62
   hearing, 60, 61-62
   investigators, 61
   members, 50, 60
   meetings, 61
   officers, 61
   procedures, 59, 61
   purposes, 59
   reports, 63
   staff, 5, 62
   website, 103

Actuarial Education and Research Fund, see Actuarial organizations

Actuarial organizations, 111
   clubs, 113
   working agreement, 66

Actuarial Standards Board (ASB), 46-49
   Academy bylaws, 63
   appointment to, 63
   ASOP 21 Task Force, 46, 49
   Boxscore, 103
   Casualty Committee, 46, 48
   committees, 46, 48, 49, 64
   communications, 64
   compliance guidelines, developing, 86
   creation, 101
   document retention policy, 165
   purposes, 47, 63
   Expert Witness Task Force, 46, 48
finances, 64
General Committee, 46, 48
Health Committee, 46, 49
Life Committee, 46, 49
Materiality Task Force, 46, 48
meetings, 64
members, 47, 63
officers, 64
Pension Committee, 46, 49
staff, 5, 64
Subcommittee on Ratemaking, 46, 48
Subcommittee on Reserving, 46, 48
Task Force on Retiree Group Benefits, 46
working agreement, 69

Actuarial Update, 10, 103, 170
American Society of Pension Actuaries (ASPA), see Actuarial organizations
Antitrust policy, 163
Articles, submitting, 170

Awards
Jarvis Farley Service Award, 108
Robert J. Myers Public Service Award, 109

Board of Directors, 1, 139; see also Officers
Academy bylaws, 53-55
committees, 7
composition, 53
duties, 54
election, 53
meetings, 54, 73
members, 1, 6, 53, 139
regular directors, 2, 3, 54
roles and responsibilities, 139
special directors, 2, 3, 53
term of office, 54

Budgets; see also Council budgets; Cost estimates; Finance
Budget and Finance Committee, 9
cost estimates for councils, 153
specific budget responsibilities, 155
travel reimbursement guidelines, 154
vice presidential budget development, 152
vice presidential budget monitoring, 155

Bylaws, 53-65
Article 1. Membership, 53
Article 2. Meetings of the Members, 53
Article 3. Board of Directors, 53
Article 4. Executive Committee, 55
Article 5. Officers, 55
Article 6. Duties of Officers, 56
Article 7. Finances and Contracts, 56
Article 8. Resignation of Members, 57
Article 9. Public Discipline, 57
Article 10. ABCD, 59
Article 11. ASB, 63
Article 12. Notice, 65
Article 13. Indemnification, 65
Article 14. Use of Financial Resources: Dissolution, 65
Article 15. Amendments, 65

Canadian Institute of Actuaries, see Actuarial organizations
Capitol Hill briefings, 154
Casualty Actuarial Society, see Actuarial organizations
Casualty Practice Council, 12-16
  Automobile Insurance Subcommittee, 12, 14
  Committee on Property and Liability Financial Reporting, 12, 15
  Joint Casualty Loss Reserve Seminar Planning Committee, 12, 15
  Mass Torts Subcommittee, 12, 15
  Medical Malpractice Subcommittee, 12, 14
  P/C Extreme Events Committee, 12, 15
  P/C Federal Charters Task Force, 12
  P/C Financial Soundness/Risk Management Committee, 12, 13
  P/C Products, Pricing, and Market Committee, 12, 14
  P/C Risk-Based Capital Committee, 12, 13
  Workers' Compensation Subcommittee, 12, 14

Clubs, actuarial, 113
Code of Professional Conduct, 88
  in Academy history, 100
  advertising, 92
  communications and disclosure, 90
  confidential information, 91
  conflict of interest, 90
  control of work product, 91
  courtesy and cooperation, 91
  definitions, 88
  Joint Committee on the Code of Professional Conduct, 42, 44, 86
and other types of standards, 85
  professional integrity, 89
  purpose, 88
  qualification standards, 89
  standards of practice, 89
  titles and designations, 92
  violations, 92
  in working agreement, 69

Committees; see also Casualty Practice Council, Council on Professionalism, Councils,
  Financial Reporting Practice Council, Health Practice Council, Life Practice
  Council, Meetings, Pension Practice Council, Professionalism considerations
  appointment to, 74, 157, 158
chairpersons, members, and staff liaisons, 141
eliminating overlap, working agreement, 71
meetings of, 73, 158, 159
members, role of, 142
planning and reporting process for, 156
staff support coordination, 156
Committees, board, 7
   Executive Committee, 7, 55
Committees, joint, 8
   Council of Presidents, 8
   Council of Presidents-Elect, 9
   Joint Academy/SAOA Committee on Communications for Health Issues, 23
   Joint Casualty Loss Reserve Seminar Planning Committee, 12, 15
   Joint Committee on the Code of Professional Conduct, 42, 44, 86
   Joint Financial Reporting Task Force, 18, 20
   Joint Program Committee for the Enrolled Actuaries Meeting, 38, 41
Committees, presidential
   Committee on Strategic Planning, 7, 51, 123
   Litigation Review Committee, 8
   Nominating Committee, 8
   President's Advisory Committee (PAC), 7, 139
Committees, secretary-treasurer
   Budget and Finance Committee, 9
   Communications Review Committee, 10
   Committee on Membership, 11
   Committee on Technology, 11
   Personnel and Compensation Committee, 11
Communications, 169; see also Publications, Website
   ABCD, 63
   ASB, 64
   communication channels, direct, 169
   communication channels, indirect, 171
   Communications Review Committee, 10
   department, 4
   and disclosure, in Code of Professional Conduct, 90
   external relations, 174
   information resources, 119
   media relations, 171, 173
   membership, in working agreement, 71
   official spokesperson program, 173
   participating organizations, in working agreement, 67
   staff contacts, 144
   staff organizational chart, 148
   strategic direction G, 131
   strategy, 169
   submitting articles, 170
Conference calls, 154
Conference of Consulting Actuaries (CCA), see Actuarial organizations
Conflict of interest

Academy policy, 77, 166
Code of Professional Conduct, 90

Contingencies magazine, 10, 170
website, 103, 171

Continuing education, 86; see also Seminars
in working agreement, 70

Cost estimates

Capitol Hill briefings, 154
Conference call expenses, 154
Meetings at the Academy, 153
Meetings at outside facilities, 153
Publications, 154

Council activities

attendance and activity monitoring, 151
coordination with other organizations, 151
key issues, 151
planning and reporting schedule, 150
practice notes, 151
professionalism considerations, 159

Council budgets; see also Budgets, Cost estimates

budget responsibilities, 155
development, 152
expenses, 152
income, 152
travel reimbursement guidelines, 154

Council of Presidents, 8, 66, 71
Council of Presidents-Elect, 9, 67

Council on Professionalism, 42

Committee on Actuarial Public Service, 42, 43
Committee on International Issues, 42, 43
Committee on Professional Responsibility, 42, 44
Committee on Qualifications, 42, 44, 86
Joint Committee on the Code of Professional Conduct, 42, 44
Life and Health Qualifications Seminar Task Force, 42, 45

Councils, 141; see also Casualty Practice Council, Council activities, Council budgets,
Council on Professionalism, Financial Reporting Practice Council, Health Practice Council, Life Practice Council, Pension Practice Council, Vice presidents

coordination with other organizations, 151
cost estimates, 153
creation, 99
developing council budgets, 152
key issues, 151
meetings, 151
planning council activities, 150
planning and reporting schedule, 150
practice notes, 151
professionalism considerations, 159
Counseling, 62

Database, 71
Discipline; see also Actuarial Board for Counseling and Discipline
   Academy bylaws, 57
   appeals, 58
   Code of Professional Conduct, violations of, 92
   complaints, 57, 59
   confidentiality of proceedings, 58, 62
   disciplinary action, 57
   Disciplinary Committee, 58
   member reinstatement, 58
   notification, 59
   strategic direction D, 129
   strategic direction E, 129
Document retention policy, 165
Dues, 98

Enrolled actuaries
   Academy members, 93
   Enrolled Actuaries Report, 10, 103, 170
   meeting, 41, 102
Equal opportunity policy, 76, 164
Examinations, prescribed, 97
Executive Committee, 7
   Academy bylaws, 55
   roles and responsibilities, 139
Executive director, 4, 143
External relations, 4, 149, 174

Fellows
   senior health, 24
   senior pension, 39
Finance, 56-57, 65
   ABCD, 62
   ASB, 64
   Finance and Administration Department, 4
   director's budget responsibilities, 155
   staff contacts, 145
   staff organizational chart, 148
   strategic direction F, 130
Financial Reporting Practice Council, 18-21
   Accounting Policies and Procedures Task Force, 18, 20
   Banking and Financial Services Task Force, 18, 19
   Basel Work Group, 18, 19
   Federal Charters Work Group, 18, 19
   International Task Force, 18, 20
   Joint Financial Reporting Task Force, 18, 20
Guidelines

for making public statements, 78
for the development of practice notes, 83

Health Practice Council, 22-30

Asset Codification Work Group, 22, 27
Committee on Federal Health Relationships, 22, 24
Committee on State Health Issues, 22, 25
Competitive Markets Work Group, 22, 26
Current Environment Work Group, 22, 26
Defined Contribution Health Plan Work Group, 23, 29
Disability Income Work Group, 22, 27
EEOC-ADEA and Retiree Health Work Group, 23, 29
Health Liquidity Work Group, 23, 28
Health Practice Financial Reporting Committee, 23, 28
High-Risk Pool Work Group, 22, 26
HRBC Long-Term Care Work Group, 22, 27
Inter-Block Subsidy Work Group, 22, 26
Joint Academy/SOA Committee on Communications for Health Issues, 23, 30
Long-Term Care Work Group, 22, 25
Loss Ratio Issues Work Group, 22, 26
Managed Care Reform Work Group, 23, 30
Medicare Steering Committee, 23, 29
Medicare Supplement Work Group, 22, 25
Modeling Assumptions Work Group, 22, 26
Pre-Funding Work Group, 22, 26
Prescription Drug Coverage Work Group, 23, 30
Project Management Committee, 23, 29
Senior health fellow, 24
Stop-Loss Work Group, 22, 27
Task Force on Health Insurance Rate Filing, 22, 26
Task Force on Health Risk-Based Capital, 22, 27
Task Force on Long-Term Care, 22, 28
Uninsured/Underinsured Work Group, 23, 30

History, 99
past officers, 104

Information resources, 119

Indemnification, 65

International; see also Actuarial organizations, Councils

Committee on International Issues, 42, 43
interface and liaison in working agreement, 70
International Actuarial Association (IAA), 9, 112
International Association of Consulting Actuaries, 112
International Congress of Actuaries, 112
International Promotion and Education Fund, 112
International Task Force, 18, 20
public statements, 82
Issue briefs, 154, 171

Jarvis Farley Service Award, 108
Joint committees, 8
Council of Presidents, 8, 102
Council of Presidents-Elect, 9

Leadership
Internet tools, 161
legal considerations, 163
professionalism considerations, 159
scope of authority, 163
Legal; see also Legal considerations
Legal and Professionalism Department, 5
proposed laws, 160
recognition of Academy membership, 101
staff contacts, 145
staff organizational chart, 148

Legal considerations
antitrust considerations, 163
compliance with Academy policies, 164
conflict of interest policy, 165
consultation with Academy legal counsel, 167
document retention policy, 165
equal opportunity policy, 164
liability insurance, 167
scope of authority, 163

Liability insurance, 167
Life Practice Council, 32-37
CSO Implications Work Group, 32, 33
CSO Task Force, 32, 37
C-3 Work Group, 32, 35
Innovative Products Work Group, 32, 33
Life Capital Adequacy Soundness/Risk Management Committee, 32
Life Capital Adequacy Subcommittee, 32, 35
Life Experience Subcommittee, 32, 37
Life Financial Reporting Committee, 32, 34
Life Financial Soundness/Risk Management Committee, 32, 35
Life Liquidity Work Group, 32, 36
Life Products Committee, 32, 33
Life Valuation Subcommittee, 32, 36
Nonforfeiture Work Group, 32, 34
Small Face Amount Work Group, 32, 34
VAGLB Work Group, 32, 36
List serves for leadership groups, 161
Media relations, 171, 173
  official spokesperson program, 173
  proactive media campaigns, 173
Meetings; see also Committees, Councils
  attending, 73
  board, 54, 73
  cosponsorship, in working agreement, 70
  cost estimates, 153
  council, 151
  of members, 53, 102
  open, 73, 159
  procedures and guidelines, 158
  travel reimbursement guidelines, 154
Membership, 93
  Academy bylaws, 53, 56, 57
  administration, 5
  application process, 95
  Committee on Membership, 11
  communications, strategic direction G, 131
  communications, in working agreement, 71
  demographics, 93
  dues, 56, 98
  inquiries, 96
  legal recognition of, 101
  member defined, 53
  member resources, 119
  prescribed examinations, 97
  reinstatement, 58, 59
  requirements, 53, 94, 97, 99
  resignation, 57
  submitting articles for publication, 170
  titles and designations, using, 75
Mission, inside front cover, 51, 123
Monographs, 155, 171

Non-actuarial organizations,
  working agreement, 68

Officers, 1, 3, 6
  Academy bylaws, 55-56
  duties, 56
  election, 55
  past, 104
  term of office, 55

Pension Practice Council, 38-41
  Committee on Pension Accounting, 38, 39
Committee on Social Insurance, 38, 40
Joint Program Committee for the Enrolled Actuaries Meeting, 38, 41
Pension Committee, 38, 40
Senior pension fellow, 39
Personnel and Compensation Committee, 11
Policies; see also Professionalism considerations
  attending Academy meetings, 73
  committee appointment guidelines, 74, 157
  compliance with Academy policies, 164
  conflict of interest policy, 77, 166
  document retention policy, 165
  equal opportunity policy, 76, 164
  practice notes, guidelines for developing, 83
  public statements, guidelines for making, 78
  travel reimbursement guidelines, 154
  using Academy titles and designations, 75
Practice notes
  guidelines for developing, 83
  planning council activities, 151
  working agreement, 69
Prescribed examinations, 97
President, 1, 6; see also Board of Directors; Committees, presidential; Executive
  Committee; Officers
  duties, 56
  past officers, 104
  term, 55
President-elect, 1, 6; see also Board of Directors; Committees, presidential; Executive
  Committee; Officers
  duties, 56
  past officers, 104
  term, 55
President, immediate past, 1, 6; see also Board of Directors; Committees, presidential; Executive
  Committee; Officers
President, past, 1, 6, 104
Professionalism; see also Actuarial Board for Counseling and Discipline, Actuarial
  Standards Board, Council on Professionalism, Professional considerations
  actuarial principles, in working agreement, 69
  communication, 171
  director’s budget responsibilities, 155
  professional conduct, in Academy history, 100
  professional standards, 86
  staff contacts, 145
  staff organizational chart, 148
  strategic direction D, 129
Professionalism considerations
  amicus curiae briefs, 160
  committee work, 161
  presentations, 160

188 AMERICAN ACADEMY OF ACTUARIES
proposed laws, 160
seminars, 161
support to the Council on Professionalism, 161
Publications, 103, 171; see also Actuarial Update, ASB Boxscore, Contingencies magazine, Enrolled Actuaries Report
cost estimates, 154
information resources, 119
submitting articles, 170
Public policy; see also Academy, Casualty Practice Council, Financial Reporting Practice Council, Health Practice Council, Life Practice Council, Pension Practice Council, Professionalism considerations
analysts' budget responsibilities, 156
department, 5
director's budget responsibilities, 155
staff contacts, 146
staff organizational chart, 149
strategic direction A, 125
strategic direction B, 127
strategic direction C, 128
and working agreement, 68
Public statements
guidelines for making, 78
Qualifications; see also Standards, qualification
flowchart, 87
Life and Health Qualifications Seminar Task Force, 42, 45
Recruiting
working agreement, 70
Research
working agreement, 68
Roles and responsibilities, 139
Councils, 141
Board of Directors, 139
Committee chairpersons, 141
Committee members, 142
Committees, task forces, and work groups, 141
Executive Committee, 139
President's Advisory Committee, 139
scope of authority, 163
Staff, 142, 143
Vice chairpersons, 141
Vice presidents, 140
Secretary-treasurer, 1, 6; see also Secretary-treasurer committees
duties, 56
past officers, 104
Secretary-treasurer committees, 9
Budget and Finance Committee, 9
Committee on Membership, 11
Committee on Technology, 11
Communications Review Committee, 10
Personnel and Compensation Committee, 11

Seminars
Joint Casualty Loss Reserve Seminar Planning Committee, 12, 15
Life and Health Qualifications Seminar Task Force, 42, 45

Society of Actuaries, see Actuarial organizations

Staff, 4,
contacts, 143
coordination, working agreement, 71
liaisons to committees, 142
organizational chart, 148
support coordination, 156
strategic direction H, 132

Standards, see Code of Professional Conduct; Standards of practice, actuarial; Standards, professional; Standards, qualification

Standards of practice, actuarial (ASOPs); see also Actuarial Standards Board
Code of Professional Conduct, 89
creation, 101
and other types of standards, 85
strategic direction D, 129
strategic direction E, 129

Standards, professional, 85, 86

Standards, qualification, 86
Code of Professional Conduct, 89
flowchart, 87
and other types of standards, 85
in working agreement, 69

Strategic directions, 52, 124
communications, 131
disciplinary process, 129, 130
financial resources, 130
organizational effectiveness, 132
promoting profession, 127, 128
public policy, 125, 127
standards process, 129, 130

Strategic Plan (2001-2006), 51, 123; see also Strategic directions
Academy mission, 51, 123
Academy strengths and opportunities, 138
appendix A, 135
appendix B, 137
appendix C, 138
Committee on Strategic Planning, 51
introduction, 125
issues, Academy, 137
issues, professional, 137
monitoring and revising, 133
vision, 124, 135

Task forces; see Committees

Technology
- Committee on Technology, 11
department, 4
staff contacts, 143
staff organizational chart, 149

Travel reimbursement guidelines, 154

Vice chairpersons, 141
Vice presidents, 1, 6; see also Board of Directors, Budget, Councils, Council activities,
Council budgets, Committees, Executive Committee, Vice chairpersons
- budget development, 152
- budget monitoring, 155
- budget responsibilities, 155
duties, 56
past officers, 104
professionalism considerations, 159
roles and responsibilities, 140
term, 55

Web pages for leadership groups, 162
Website, 103; 171; 175; see also ABCD website, Contingencies website
- evolution, 176
- map, 177
- structure, 175
- using, 176

Work groups, see Committees
Working agreement, 66-72
**American Academy of Actuaries Calendar**  
**2002**

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 17</td>
<td>Academy Board of Directors Meeting</td>
<td>Washington, D.C.</td>
</tr>
<tr>
<td>March 10-13</td>
<td>Enrolled Actuaries Meeting</td>
<td>Washington, D.C.</td>
</tr>
<tr>
<td>March 14-16</td>
<td>IAA Council and Committee Meetings</td>
<td>Cancun, Mexico</td>
</tr>
<tr>
<td>March 17-22</td>
<td>International Congress of Actuaries</td>
<td>Cancun, Mexico</td>
</tr>
<tr>
<td>May 16</td>
<td>Academy Washington Forum</td>
<td>Washington, D.C.</td>
</tr>
<tr>
<td>May 17</td>
<td>Academy Board of Directors Meeting</td>
<td>San Diego, Calif.</td>
</tr>
<tr>
<td>May 19-22</td>
<td>CAS Spring Meeting</td>
<td>Colorado Springs, Colo.</td>
</tr>
<tr>
<td>May 30-31</td>
<td>SOA Spring Meeting (Life)</td>
<td>San Francisco, Calif.</td>
</tr>
<tr>
<td>June 24-26</td>
<td>SOA Spring Meeting (Health, Pension and LTC)</td>
<td>Halifax, NS, Canada</td>
</tr>
<tr>
<td>June 27-28</td>
<td>CIA Annual Meeting</td>
<td>Barcelona, Spain</td>
</tr>
<tr>
<td>September 25</td>
<td>Academy Board of Directors Meeting</td>
<td>Washington, D.C.</td>
</tr>
<tr>
<td>October 19-21</td>
<td>IAA Council and Committee Meetings</td>
<td>Barcelona, Spain</td>
</tr>
<tr>
<td>October 27-30</td>
<td>Academy Annual Meeting w/ASPA</td>
<td>Washington, D.C.</td>
</tr>
<tr>
<td>October 27-30</td>
<td>ASPA Annual Conference</td>
<td>Washington, D.C.</td>
</tr>
<tr>
<td>November 3-6</td>
<td>CCA Annual Meeting</td>
<td>Amelia Island, Fla.</td>
</tr>
</tbody>
</table>