

EXECUTIVE SUMMARY
CAS BOARD OF DIRECTORS MEETING
MARCH 10-11, 2011
Santa Monica, CA

MEMBER ACCESS TO CAS POLICY MANUAL: The Board approved posting the CAS Policy Manual in an area of the CAS Web Site accessible by all CAS members. The Policy Manual was previously accessible only by members of the Board.

WAIVER FOR CAS ONLINE COURSE 1: The Board approved a waiver for CAS Online Course 1, Risk Management and Insurance Operations, for candidates who have the CPCU designation.

REVISED 2011 ELECTION PROCEDURES: The Board approved the revised 2011 elections procedures as presented. The changes to the procedures call for candidates for office to provide more concise information about themselves and/or their candidacy, in addition to the four pages of detailed information currently provided. There will also be more information on how the current board and new board candidate demographics compare to member demographics. The changes are being implemented in an effort to increase voter participation in the elections.

CERA UPDATE: The Board received an update from Vice President-ERM Barry Franklin on the status of the CAS application to the Global CERA Review Panel for CERA award signatory status. The CAS continues to dialogue with the panel regarding the CAS's proposed CERA requirements.

GLOBAL POSITIONING: The Board adopted the following guiding principles for the CAS's international efforts:

- The CAS will utilize an international cooperation model to support the mission to advance the body of knowledge of actuarial science applied to property, casualty, and similar business and financial risks.
- In a measured way, the CAS will promote membership in the CAS internationally. In home locations of actuarial organizations providing casualty actuarial education (e.g., UK, Australia), mutual recognition and/or CAS Affiliate Membership will be promoted.
- For the ultimate benefit of CAS members, the CAS should promote casualty actuarial expertise worldwide.
- CAS members and students should receive a level of service commensurate with dues paid, irrespective of where they physically reside.

CHANGES TO AFFILIATE MEMBER PROGRAM: The Board approved the following revisions to the CAS Affiliate Membership Program, in order to encourage increased Affiliate membership and enhance our international relationships:

- Change the requirement of "attaining the highest actuarial designation of an organization that is a member of the International Actuarial Association (IAA)" to "attaining membership of an organization that is a member of the IAA."
- Reduce the Affiliate Member Program fee to 50% of the annual CAS membership dues.

RISK MANAGEMENT COMMITTEE REPORT: Aaron Halpert, Chair of the CAS Risk Management Committee, presented the Committee's report on emerging strategic risk identification and assessment. The Board agreed to task the Executive Council with reviewing the report and providing a response to identified risks. The Board will then have a follow-up discussion to discuss the urgency and priority of the risks.

ICA 2014 FIVE US ORGANIZATIONS AGREEMENT: The Board approved the ICA 2014 Five US Organizations Agreement as presented and authorized the President to sign the agreement on behalf of the CAS. The agreement outlines the collaborative activities and finances that will be contributed by each of the five U.S.-based actuarial organizations (CAS, SOA, Academy, CCA, and ASPPA) in support of ICA

2014, the International Congress of Actuaries to be hosted by the U.S.-based organizations in Washington, D.C. in the CAS Centennial year.

CONSTITUTION AND BYLAWS REVISIONS – ASSOCIATE ELIGIBILITY: The Board voted to submit amendments to the CAS Constitution and Bylaws for a vote of the Fellows in summer 2011. Those would make five-year Associates eligible to vote and to be elected to the Board. The questions will be separated into two votes (with the associated changes to the Constitution and Bylaws):

- Should Associates be eligible to vote five years after they are recognized as Associates, if they have not yet attained Fellowship?
- If the proposal above is approved, should all voting members be eligible to be elected members of the Board of Directors?

VICE PRESIDENT-ENTERPRISE RISK MANAGEMENT: The Board passed a motion to extend the sunset date for the position of Vice President-ERM one year beyond the current expiration date of November 2011.

IMPLEMENTATION OF JOINT DISCIPLINE WITHIN THE US: Roger Hayne described the work of the Joint Discipline Implementation Task Force, which was formed to coordinate the implementation of joint discipline among the US-based actuarial organizations. There was general agreement among the Board, as indicated by straw poll vote, to continue moving forward with implementing joint discipline. In addition, the Board agreed that the details of the joint discipline process should be included in a compact among the organizations as opposed to being detailed in the Constitution and Bylaws. Implementation of joint discipline will require some changes to the Constitution and Bylaws, and Fellows will be provided with the proposed compact among the organizations when asked to approve the changes.

AUDIT COMMITTEE REPORT: The Board accepted the FY 2010 Audit Committee Report including the recommendations contained therein. The independent auditor's report is once again unqualified.

AMERICAN ACADEMY OF ACTUARIES GOVERNANCE UPDATE: Dave Sandberg, President-Elect of the American Academy of Actuaries, provided the Board with an update on Academy governance initiatives. Following the briefing, the Board passed the following resolution: The CAS Board hereby expresses its support for the Academy's efforts to streamline the Academy's Board structure, and supports the Academy's efforts to increase its members' participation in Academy governance.

FOUNDATIONAL STATEMENTS: Based on membership feedback on the Exposure Draft of the CAS Foundational Statements, the Board passed a motion to discontinue development of the Foundational Statements and disband the Foundational Statements Task Force with thanks. The Board agreed to form a new Task Force to review the sections of the current Statements of Principles that need to be updated, and revise the Statements accordingly so they are no longer outdated or in conflict with existing Standards of Practice. The Board formed a subgroup to develop a more detailed charge for the new Task Force, which will be reviewed and approved by the Board in May.

TASK FORCE ON BOARD OPERATIONS AND STRUCTURE FINAL REPORT: The Board received the Final Report of the Task Force on Board Operations and Structure and dismissed the Task Force with thanks. In discussing the recommendations of the report, the Board approved two motions:

- The Board agreed to form a Board Task Force to review the Board committee structure to ensure that it is appropriate to the needs of the Board and the CAS.
- The Board agreed to conduct an annual self-evaluation of its effectiveness, organized by the Executive Director.