

**EXECUTIVE SUMMARY
CAS BOARD OF DIRECTORS MEETING
MAY 7, 2006
El Conquistador, Fajardo, Puerto Rico**

FCAS EDUCATION TASK FORCE DRAFT WHITE PAPER

The White Paper will be revised to include a more thorough explanation of the reasons that the CAS is considering a significant restructuring of the basic education system. The Paper will also be revised to clarify the fact that each of the particular action items (e.g., the assignment of particular Learning Objectives to “mastery” and “familiarity” buckets) is preliminary, and may be subject to change depending on further deliberations by the implementing committees in the time before a revised syllabus is actually put into place.

The deliberations of the Task Force in framing this overall response did not place a priority on using this restructuring to reduce travel time. Whether or not a reduction in travel time is desirable, it was deemed to be outside the Task Force’s charge to seek to do so, and such an effort would have significantly increased the complexity of its task.

Once this paper is complete, the next critical step will be to collect feedback from the membership on its major tenets, for which the CAS will craft a Communication Plan. After consideration of the feedback, an Implementation Plan will follow.

CHANGES TO CONSTITUTION AND BYLAWS – GOVERNANCE CHANGES

It was agreed that all the governance issues – the new appointed Board members, the addition of the Executive Director as a non-officer member to the Executive Council, and some miscellaneous changes designed to make the governing documents less specific to allow the CAS greater flexibility in assigning specific tasks to particular CAS leadership positions – should be combined and presented to the membership for a vote as a single question. The Board approved the presentation of the combined referendum to the membership on the next election ballot.

CHANGES TO CONSTITUTION AND BY-LAWS – ACAS VOTE

Pursuant to Board action at this meeting, the three referenda necessary to obtain the membership’s decision on this issue will likewise be presented to the Fellows on the upcoming election ballot.

REVIEW SERVICES TO MEMBERS

The goal of this item is to identify worthwhile programs to be funded or expanded in the FY 2007 budget.

The highest priority will be placed on funding a significantly more active effort toward streamlining the study materials for the exams, from the current syllabus’ “patchwork” of Proceedings papers, textbooks and other materials. Various approaches to such an effort were discussed and will be considered further.

A recommendation that the CAS issue an RFP for a CAS-funded banking operational risk analysis was assigned the second priority among these initiatives. This analysis would make clear to both members and their publics the close parallel to current actuarial practice in the insurance arena. A more detailed proposal must be prepared before official approval can be given to this undertaking.

The third priority was given to investigating the potential for licensing a broad databank of academic journals for use by CAS members over the Internet. Such a license is generally available to universities, and it is possible that a similar license could be procured for CAS members as well.

ERMII REQUEST FOR ADMINISTRATIVE SUPPORT

ERMII has requested that the CAS assist it with certain administrative functions related to conducting seminars and maintaining its financial accounting records. Although this might entail a significant amount of uncompensated work for the CAS, it is recognized that the CAS will not be supplying assistance on this basis for the long term. This effort is primarily to help ERMII “get started,” in its current circumstances of little manpower or funding to provide such services for itself. Such services will be very helpful to the success of ERMII, and will enhance the CAS working relationship with this promising organization. The request was therefore approved.

SYLLABUS COMMITTEE POLICY CONCERNING TEACHING EXAM PREPARATION COURSES

The Syllabus Committee’s prohibition on members’ teaching exam preparation courses was somewhat relaxed to only forbid such activities in cases involving clear conflicts of interest.

EXAM FEE DISCOUNT STRUCTURE

The Board revised the Exam Fee Discount Program to apply to candidates who live in qualified counties where the per capita income is less than 50 percent of the average of the Canada/US per capita income. The previous threshold was one-third of the average of the Canada/US per capita income. The proposed fee structure was amended to include Hong Kong with the countries or territories receiving discounted fees, so that all of China (including also Taiwan) will be charged a consistent exam fee.

RFP FOR NAME AND DESIGN OF CAS JOURNAL

The Board approved the preparation of an RFP to retain a firm to advise the CAS on naming, branding, and designing the layout of the new journal. The scope of this proposed RFP was expanded to include selection of a title, due to the difficulty in selecting a single suitable title from the many considered.

GLOBAL ACTUARIAL QUALIFICATION REPORT

The Board discussed the IAA’s efforts to institute a global actuarial qualification and education program. This action is being taken at the behest of the World Bank, which has expressed a desire to enhance the development of insurance in emerging economies by stimulating the actuarial profession in those countries, which currently have no meaningful access to actuarial support. A number of countries have already expressed varying degrees of interest in adopting the resulting approach.

The international program is not intended to supersede any existing national program. Some of the Board members felt that a “sunset clause” should be built in as regards any country’s participation in the program.

The currently preferred approach emphasizes university coursework for the attainment of the learning objectives, with actuarial exams to provide the demonstration of both professional progress (credential) and academic progress (credit).

There will be a vote of the IAA Council to accept and approve the recommendations of the *IAA Task Force on the Feasibility of a Global Actuarial Qualification Standard*. The Board instructed the CAS Delegate to vote in favor. However, the Delegate was also directed to indicate that the CAS would not be likely to switch to the IAA Education Program for its own educational needs.