

EXECUTIVE SUMMARY
CAS BOARD OF DIRECTORS MEETING
JUNE 17, 2007
Disney's Contemporary Resort, Lake Buena Vista, FL

ACTUARIAL SOCIETY OF INDIA EXAM WAIVER POLICY: The Board approved exam waivers for the ASI exams based on the same mapping used for exams of the UK Faculty of Actuaries and Institute of Actuaries, so long as the Education Policy Committee does not recommend against such waivers by 12/31/07.

GLOBAL ERM CREDENTIAL: There is discussion across several actuarial societies of the idea of creating a Global ERM Credential. The new SOA "Chartered Enterprise Risk Analyst" (CERA) credential, which is being implemented this year, will not be the starting point for the Global ERM Credential, but the SOA is supportive of the global process. The Board decided that the CAS should participate in the initiative to develop a global ERM designation, but without making a commitment to support the final outcome. The Board will consider its support of the designation at some point in the future.

TASK FORCE ON CAS EXAM 3 AND SOA EXAM M: The Board accepted the two recommendations of the Task Force:

- Partition Exam 3 into a joint part 3A/MFE, and a part offered separately as 3B (CAS) and MLC (SOA).
- Transition 3A/MFE to Computer Based Testing as soon as possible.

It was noted that, should the CAS decide to change the exam structure in the future, transition rules must be considered very carefully so as to minimize disruptions for candidates.

WHITE PAPER ON EDUCATION STRATEGY: In the last Board meeting, a small Board-level task force was appointed to review the proposals of the White Paper in light of membership feedback. The Task Force recommends:

- Moving the CPCU-type topics from Exam 5 to a CAS-administered internet course
- Reconfiguring the remaining portions of exams 5-9 into four exam units instead of five (recognizing that portions of Exam 8 were recently moved to Exams 2 and 3)
- Adding a Capstone Seminar

The Task Force proposed that the Capstone Seminar would be a three- to five-day limited attendance seminar including a structured project to be completed individually by each participant, and suggested that offering candidates a variety of Capstone Seminars from which to choose could provide some of the benefits of the "specialty tracks" concept put forth in the original white paper while addressing concerns expressed by the membership. The Board asked the Task Force to analyze transition implications under various reconfiguration options and seek additional feedback from employers and chief actuaries.

NEW CAS POSITIONS: The Board voted to approve the funding of a staff Director of Education and Research, and to move forward with the Executive Council developing a position description for a staff "Guest Actuary."

INTERNATIONAL ISSUES: The Board heard reports from the General Insurance Board of the Institute of Actuaries and Faculty of Actuaries (UK) and Institute of Actuaries of Australia about issues currently facing those societies. In addition, the Board reviewed the latest draft of the CAS's International Vision Statement and asked the EC to make further revisions.

FOUNDATIONAL STATEMENTS: The Board approved a proposal to create and maintain one reasonably small set of Foundational Statements, which are intended to update and replace the Statements of Principles as the fundamental statements about casualty actuarial science. These would communicate the essence of casualty actuarial work, but not prescribe methodology. The Board also voted to decline the request to release the Exposure Draft of Principles Underlying Actuarial Science to the CAS membership, as the "General Principles" are not seen as satisfying the requirements for Foundational Statements as needed for casualty actuarial work products and audiences.

MEETING FEES FOR ACCOMPANYING PERSONS: The Board decided that

- The accompanying person fee should be determined based on the best available estimate of actual costs for each meeting. This will vary by location and duration of the meeting.
- Fees for accompanying persons should be offered on an unbundled basis as well as on a packaged basis with a nominal discount (5% or 10%).

TASK FORCE ON DEVELOPING EDUCATIONAL MATERIALS: Subsequent to the meeting, the Board unanimously approved via e-mail the recommendation to award the contracts to develop Ratemaking and Reserving study materials to EMB America and KPMG, respectively.