

MINUTES
CAS BOARD OF DIRECTORS MEETING
June 23, 2009
WebEx Conference

PRESENT

Directors: Albert Beer, Brian Brown, Charles Bryan, David Chernick, Eugene Connell, Wayne Fisher, Morton Lane, Mary Miller, Joanne Spalla, John Tierney, Alice Underwood, Mark Vonnahme, Michael Wacek, Mavis Walters.

Board Chair: Christopher Carlson

President: John Kollar

President-Elect: Roger Hayne

Vice President-ERM: Kevin Dickson

Executive Director: Cynthia Ziegler

Other Attendees: Michael Boa – Director of Communications and Marketing, CAS Staff

Chris Carlson called the meeting to order at 1:00 p.m. EDT.

I. CONSENT ITEMS

A motion to approve the following consent items was made:

Election of the Vice President International and Professional Education

The Board approved the Nominating Committee recommendations to elect Kris DeFrain as Vice President-International and Chet Szczepanski as Vice President-Professional Education.

Approval of the CAS Risk Management Committee Goals

The Board approved the Risk Management Committee's Draft 2009 Goals as proposed.

Election of the Appointed Board Director.

The Board approved the Nominating Committee recommendation of Richard Delaney to serve as an Appointed Director for the period of March 2010 through November 2010.

The motion to approve the items listed above was seconded and carried unanimously.

II. GLOBAL ERM DESIGNATION-CERA

Chris Carlson and John Kollar introduced this item with a brief history of the previous efforts of the Board in this area. John notified the Board that the Society of Actuaries (SOA) Board had voted on June 7, 2009 to sign the Treaty to expand the current SOA designation (CERA) to a Global CERA designation to be available to be granted by other actuarial organizations around the world. John also reported that the Canadian Institute of Actuaries (CIA) met on June 17, 2009 and voted to sign the Treaty in support of the Global CERA designation.

At the designation development level, there are a few relatively minor outstanding issues that have not yet been resolved and a Steering Committee has been charged with resolving these issues. Kevin Dickson is

the CAS Representative on this committee. Prior to the meeting, the Board had received a copy of the CAS General Counsel's review of the Treaty which provided his opinion that there is no reason not to proceed. The attorney's report has been shared with the SOA leadership.

The following motion was made and seconded: ***It is recommended that the Board adopt the Global ERM Designation-CERA and authorize the CAS President to sign the Global Enterprise Risk Management Designation Treaty when it is finalized.***

During the discussion of the motion, the Directors raised a number of issues (primarily operational in nature) that needed clarification including:

- Will the designation be post-Fellowship? *The CAS Admissions committees are working on this issue and the current thinking is that the designation will fall somewhere between Associateship and Fellowship.*
- Will the examination(s) be joint with the SOA or separate? *General parameters are being provided to the Syllabus Committee to work with SOA to determine what items could or should be jointly administered vs. what should be separate.*
- Is the SOA willing to develop more stringent learning objectives to raise the level of the CERA? *CAS representatives have met with the SOA and they are receptive to the suggestion that the CERA needs to be more robust. This issue has also been raised by the Joint Risk Management Section. While there is no explicit Treaty language to compel the SOA to change their syllabus and learning objectives, Kevin Dickson indicated that throughout the negotiations there was no indication from SOA that they would not increase the level of rigor required by the program. It was noted that under the Treaty terms the SOA receives a 10 year "free pass" before its syllabus and learning objectives would be reviewed. (There was some discussion in Tallinn about modifying this Treaty provisions so that the SOA would have eighteen months to bring its syllabus into compliance.)*
- Will the current CERA holders have to complete additional requirements when the syllabus is made more rigorous? *It is unlikely that this will happen and a greater emphasis will be placed on Continuing Education requirements. It was noted that the International Actuarial Association only makes requirements on programs and not individuals and that new program requirements apply to candidates matriculating after a certain time. Current members are not affected. All current CERA holders who received the credential through the Thought Leader identification process or through the Experienced Practitioner route are already members of the SOA, CAS or CIA. It was also noted that there is a mechanism in the Treaty for "grandfathering" current designees but the bar is set very high.*
- The SOA is using the CERA as a path to membership, will the CAS? *The CAS is not planning to use the CERA as a path to membership at this time. This could change in the future, if recommended by the CAS Admissions committees.*
- The SOA requires current CERA holders to be a member of the SOA. Will CAS members who earned the CERA through the SOA have to remain a member of the SOA? *No, it is expected that current CERA holders who are CAS members will transition to the CAS CERA program. The intent of the Treaty is to allow a CERA holder from actuarial society to be recognized within the ERM framework anywhere without having to join the "local" society.*

- Will new CERA candidates have to belong to one of the signatories? *CERA holders need to be a “fully qualified actuary” of an IAA full member organization.*
- Why were the CERA letters chosen over some other acronym? *The CERA was selected because significant marketing and branding by the SOA has already taken place over the past 18 months. This branding includes positioning the designation in the broader financial services industry such as investment banks and beyond the traditional insurance space. The letters (CERA) may represent different words in other parts of the world.*

The motion passed unanimously.

III. OTHER ITEMS:

Cynthia Ziegler advised the Board that the office would be sending information on the Board Meeting scheduled for September 28 and 29, 2009 in Albuquerque in the next few weeks.

Board Chair Chris Carlson thanked the directors for attending this meeting and making this historic decision to add a new achievement based designation to the CAS for the first time in 95 years. He also thanked them for learning to use the WebEx technology, which enabled the meeting to be held without travel.

There being no further business the meeting was adjourned at 2:00 p.m.

Approved July 13, 2009