

MINUTES
CAS BOARD OF DIRECTORS MEETING
SEPTEMBER 14-15, 2006
Marriott Magnificent Mile, Chicago, IL

Present

Directors: Irene Bass, Regina Berens, Christopher Carlson, Robert Deutsch, Sholom Feldblum, Allan Kaufman, Andrew Kudera, Donald Mango, Glenn Meyers, Roosevelt Mosley, Karen Terry, and Robert Wolf (present for part of the meeting).

Immediate Past President: Stephen D'Arcy.

President: Paul Braithwaite.

President-Elect: Thomas Myers.

Vice Presidents: Amy Bouska, James Christie, Beth Fitzgerald, Roger Hayne, John Kollar, Deborah Rosenberg, and Joanne Spalla.

CAS Executive Director, Cynthia Ziegler; Assistant Secretary – Board of Directors, Kenneth Quintilian.

Other Attendees: Michael Boa – Director of Communications and Research, CAS Staff; Todd Rogers – Director of Finance and Operations, CAS Staff.

Invited guests: Joel Albizo, Mark Allaben, Susie Ayala, Brian Brown, Mary D. Miller, and Patricia Teufel.

Observers: Clive Keatinge.

Steve D'Arcy called the meeting to order at 8:05 a.m. on Thursday, September 14, 2006.

1. CONSENT ITEMS

There was a motion to approve the following items on the consent agenda:

(a) Institute of Actuaries of Australia Exam Waivers

The proposed exam waiver policy for the Institute of Actuaries of Australia was approved.

(b) 2006-07 Chairs of Board Committees

The proposed slates of Board Committee chairs (excluding Long Range Planning Committee and the Task Force for Enhancing the Reputation of Casualty Actuaries) and Discipline Committee members were approved.

(c) Exception to Dues Waiver Policy

Having considered an application and the circumstances presented therein, the Board resolved to grant a member's request for a full dues waivers for 2006 and 2007 in consideration of his active contributions to the CAS.

(d) Member Reinstatement

Having considered his application and the circumstances presented therein, the Board resolved to reinstate a member subject to payment of a \$500 reapplication fee in addition to the dues for 2007.

(e) Waiver Policy for CAS Exam 3

The Board approved that a waiver of CAS Exam 3 be granted to those candidates who pass both parts of the revised SOA Course M; i.e., MFE (Financial Economics) and MLC (Life Contingencies).

(f) Board Attendance Policy

The proposed Board Attendance Policy was approved.

(g) Board Conduct Guidelines

The proposed Board of Director Board Meeting Conduct Guidelines were approved.

(h) 2006-2007 Nominating Committee

The Board approved the selection of a group of Board members to select and present a Nominating Committee slate for approval at the November 2006 Board meeting.

The motion was seconded and approved unanimously, with 12 members voting.

2. CAS VITAL STATISTICS

Steve D'Arcy introduced this item and led the discussion of the Vital Statistics. It was noted that the CAS revenue appears flat in 2006 (relative to 2005) at least partly because the Special Interest Seminar usually held in September was moved in 2006 into the 2007 fiscal year (October 2006). There was some discussion of the graphs showing the number of attendees per meeting, which is not trending up as fast as membership levels. It was suggested that many employers are no longer allowing their actuaries to attend as many meetings as previously. A request was made for this to be reflected in future Vital Statistics reports: e.g., a count of number of CAS members attending 0, 1, 2, 3, etc. meetings in a given year. This graph will separately distinguish members attending their conferment meetings so as to avoid the distortion arising from that source.

3. CAS ELECTION RESULTS

Steve D'Arcy extended the Board's congratulations to the winners of the 2006 CAS election, including those present (Chris Carlson – President Elect; and Brian Brown, Mary D. Miller and Joanne Spalla, Board Members-Elect). Charles A. Bryan was also congratulated, *in absentia*, on his election to the Board. Steve also congratulated Executive Director Cynthia Ziegler on her elevation to membership in the Executive Council as a consequence of the affirmative vote on governance issues. Due to the election of Chris Carlson to President Elect, a one-year Board vacancy has been created that can be filled by appointment of the Board.

The Board noted that the proposals to expand the rights of Associates were not adopted by the membership. Various possibilities were discussed as reasons for the wide margin of failure of the ACAS Vote initiative.

Given that the original Board conception of this issue was to first decide on the FCAS Education changes, then settle the future of the Classes of Membership, and finally decide about the ACAS Vote, a frequently voiced opinion was that taking the initiatives out of order, with the ACAS Vote being submitted to the membership first, may have led to some uncertainties causing some Fellows to vote against the initiative.

It was noted that a large part of the initial impetus for changing the status of the ACAS was the fact that Associateship exams do not meet the minimum standards for membership in the International Actuarial Association (IAA) – under current policy, Associates are not considered members of the IAA, which causes problems for the American Academy of Actuaries, of which Associates are (or can be) full members. However, the imminent movement of Financial Mathematics onto CAS Exam 3 may solve this problem by bringing the ACAS syllabus into compliance with the IAA minimum standards. It was requested that Tom Myers and Jim Christie (working with the AAA) prepare an application to the IAA to qualify Associates as IAA members under the revised syllabus.

4. 2007 FY CAS BUDGET

Debbie Rosenberg introduced this item and described the highlights of the budget to the Board. Consistent with the Board's interest in making important member service investments, the budget includes new

educational spending initiatives that were therefore discussed in some detail. These items amount to \$120,000 in 2007, and encompass several new seminars and a significant investment in the production of new study materials.

There was some discussion of the large increase in both revenues and expenses for the upcoming fiscal year. Significant increases in seminar fees and seminar expenses (due in large part to a significant expansion of the number of seminar opportunities presented by the CAS), as well as an increase in the expenses allocated to the CAS office, were identified as major drivers of the 2007 increases. Several new seminars are being offered in 2007, and the CAS is hosting the 2007 ERM Symposium and the 2007 ASTIN Colloquium. There are also expenses relating to the launch of the new journal, and other items outlined in detail in the Board material. The one-time shifting of the Special Interest Seminar from September to October 2006 also had an impact on the upward trend in the revenues and expenses.

There were some questions regarding the CAS's investment in research. There was a request that more information be collected about the research funding allocations, whether the allocations are being spent, and on what. Roger Hayne indicated that, although in past years the research allocation has not always been immediately spent, increased commitments are likely to help remedy this issue going forward. Other ideas were also discussed for future consideration of the VP-Research and the Board.

There was a motion to approve the FY 2007 CAS Budget as presented.

The motion was seconded and approved unanimously, with 13 members voting.

5. MINUTES OF MARCH 9-10, 2006 BOARD MEETING

A number of changes were discussed, which the Assistant Secretary will reflect in the minutes and redistribute.

There was consensus to change the existing procedure for posting revisions to the Board policy manual that have been approved by the Board. Whereas they were previously posted to the Web site once a year in November, they will henceforth be posted shortly after the Board meeting at which they are approved. This will make the Board's decisions more transparent to the members of the CAS, since the policy changes announced in the minutes will now be immediately available for review online.

There was a motion to approve the minutes of the March 9-10, 2006 Board meeting as amended.

The motion was seconded and approved unanimously, with 13 members voting.

6. BOARD / EC FEES FOR ATTENDING CAS MEETINGS

There was a discussion of extending the CAS Annual and Spring Meeting "speaker discount" (currently \$200) to members of the Board and EC. The mandatory nature of in-person attendance at the Board meetings, the desirability of having CAS leadership be visible for the CAS meetings themselves, and the Board and EC duties at these meetings (such as attending the Business Session) were all presented as justifications for extending this discount to the Board and EC.

There is currently a fee for attending just the Sunday night reception (based on the per-person charge to the CAS by the hotel for the reception), which is levied on Board and EC members who remain for the reception after the Board meeting but do not attend the rest of the CAS meeting. It was agreed that those Board and EC members who are not remaining for the meeting proper would be provided an incentive to remain for the reception if that fee were waived.

There was a motion to extend the member speaker meeting fee discount (currently \$200) to Board members, EC members and the Assistant Secretary for the Board, when these individuals attend the meeting.

The motion was seconded and approved unanimously, with 12 members voting.

There was a motion to waive the welcome reception ticket fee for Board members, EC members and the Assistant Secretary for the Board, when those individuals remain for the reception but do not attend the CAS meeting.

The motion was seconded and approved unanimously, with 12 members voting.

7. INTERNATIONAL VISION

Amy Bouska introduced this item and discussed the significant strides that the CAS is making on this front. She stated that the CAS is much more well-known than previously, and is actively speaking for general insurance at the IAA. She emphasized that continuing this progress would necessitate that the people currently tasked with these roles overseas should be kept in those roles wherever possible.

Amy stated that while our relations with the English-speaking societies around the world are currently very robust and cordial, some of these societies see in the Centennial Goal a tacit aspiration to dominate general insurance worldwide. A revision of the wording of the Goal might be necessary to completely address this issue. Amy also mentioned that our relations with the various non-English speaking European societies tend to be more cool, with the language barrier posing a particular impediment to closer relations.

Many opportunities are currently presenting themselves in China and India. Mainland China is in great need of general insurance expertise, and would welcome involvement from the CAS, such as co-sponsoring seminars, providing copies of exam materials for universities, and other forms of co-operation. The Indian Insurance Institute has contacted the CAS about using our lower exams as part of a proposed actuarial technician certificate. The Taiwan actuarial society (AIROC) will begin using CAS and SOA exams exclusively in 2008, with the exception of one local regulatory exam.

Amy emphasized, however, that the CAS's main interest in any of these international initiatives is not to expand CAS membership, but to facilitate the establishment and maintenance of a healthy general insurance market around the world, through the education of local actuaries in our areas of expertise.

There was a discussion of the appropriateness (from the perspective of current membership) of putting so much effort into expanding CAS influence overseas. Some CAS members might even think that these efforts have the primary effect of training cheap competition for CAS members' jobs. One Board member expressed the opinion that the CAS should make sure that whatever initiatives it pursues are in the best interests of the current primary stakeholders – the current, primarily North American-based membership. This member suggested that a Task Force be appointed to consider the proposed International Vision. Amy indicated that the CAS's necessary role is to influence and channel (not to seek to discourage) the process of training and outsourcing of actuarial talent, because the process will go forward with or without our cooperation and if we ignore (or obstruct) the process the CAS will succeed only in marginalizing itself.

Many on the Board expressed the opinion that the proposed Vision, while providing an excellent survey of the current state of affairs in the International arena, does not yet present a sufficient number of action steps for future efforts, and therefore needs some revisions before it can become final. The Vision will go back to the EC to further consider the points raised by the Board, specifically the value proposition for CAS members of the steps to be undertaken pursuant to the International Vision.

Cynthia Ziegler stated that the Long Range Planning Committee (LRPC) is currently spending considerable efforts on aspects of the Centennial Goal and the SAM goals that are very closely related to the subject of

this discussion. Cynthia recommended that the Board further clarify the dividing line between the activities and responsibilities of the Board, the EC, and the LRPC.

8. SOA IMAGE CAMPAIGN

The Board welcomed Joel Albizo and Susie Ayala of the SOA, who presented a detailed overview of the major public relations effort that the SOA has undertaken on behalf of the public image of the actuarial profession. Joel emphasized the desire of the SOA to work jointly with the CAS and other organizations on this project, which means that they would welcome both creative and financial assistance in the Campaign.

9. EXECUTIVE SESSION

At 1:00 p.m. on September 14, the Board went into Executive Session until about 2:00 p.m.

After reentering open session there was a motion to ratify the action taken in Executive Session, to approve the proposed “CAS Board Meeting Observer Guidelines” under the CAS Board Open Meetings Policy.

The motion was seconded and approved unanimously, with 13 members voting.

10. CAS PRIZE AND AWARD AUDIT REPORT

There was a motion to rename the current CAS Loss Reserve Prize the Ronald Bornhuetter Loss Reserve Prize subject to receiving a \$50,000 endowment to fund the Prize through the CAS Trust, and to memorialize the Ronald Bornhuetter Loss Reserve Prize in the Yearbook.

The motion was seconded and approved, with 9 members voting in favor and 5 against.

There was a motion to direct the EC to establish a Task Force to examine in detail the current CAS prize naming and awarding policies and procedures, and to report back to the Board by March 2007.

The motion was seconded and approved unanimously, with 14 members voting.

11. CIA CO-SPONSORSHIP OF THE RISK MANAGEMENT SECTION

John Kollar introduced this item and stated that the CIA has requested to co-sponsor the section but to have no financial involvement in the section or in the ERM Symposium. There is a North American Actuarial Council policy permitting such an arrangement.

There was a motion to support the CIA’s joint sponsorship of the CAS/SOA Risk Management Section.

The motion was seconded and approved unanimously, with 15 members voting.

12. ERM FOR CAS REPORT

John Kollar introduced this item and presented the report. He stated that, having identified a procedure in that report for establishing ERM best practices at the CAS, it is now necessary to identify a Board Committee to begin to implement these practices. He recommended that this committee include a representative from each EC functional area, plus a representative from the LRPC.

It was agreed that this report can be distributed next Spring to the NAAC, but that some changes to it should be made in the interim. Board members were encouraged to forward their thoughts on the report to the CAS staff or to the VP-Risk Integration.

Questions were raised concerning the relative responsibilities of the proposed new Committee, and the LRPC, in this area. It was suggested that the LRPC be tasked with strategic planning, and the ERM Committee with assessing and managing the risk implications of those plans. It was agreed that these areas are closely related and require liaison and coordination to ensure smooth operation.

There was a motion to accept the report of the ERM Task Force (subject to possible revisions), to establish a standing ERM Committee to implement and enhance the CAS ERM Program, to dismiss the ERM Best Practices Task Force with thanks, and to direct the EC to prepare guidance on the relative responsibilities of the LRPC and the ERM Committee.

The motion was seconded and approved unanimously, with 15 members voting.

13. STATUS REPORT – REPUTATION TASK FORCES

Pat Teufel introduced this item and discussed the progress to date of the two task forces (the CAS Task Force and the Joint Task Force) for Enhancing the Reputation of Casualty Actuaries. She said that all of the member organizations of the Joint Task Force expressed general agreement with the conclusions in the original CAS Credibility Task Force Report.

Pat then discussed the results of the Survey of Opinion Writers, a Joint Task Force initiative which she described as having been a highly successful exercise with an excellent response rate. The summary report of the results of that survey was included in the Board packet. A number of consensus items emerged from the survey; the Joint Task Force will explore those issues in its formal final report. The Joint Task Force recommends that the summary report on the Survey of Opinion Writers be made public through the CAS Web Site.

There was a motion to release the summary report on the results of the Opinion Writers Survey by posting it on the CAS Web Site.

The motion was seconded and approved unanimously, with 13 members voting.

14. FCAS EDUCATION WHITE PAPER

Tom Myers introduced this item and led the discussion of the second draft of this White Paper. He indicated that, at this point, the White Paper should be exposed to the membership for comment, though it would be important to clarify that this paper expresses a framework for further development, as opposed to a final plan.

There was a motion to expose this draft of the FCAS Education White Paper to the membership for comment.

The motion was seconded and approved unanimously, with 15 members voting.

Chris Carlson then proceeded to discuss a communication plan for this white paper. He described a variety of initiatives for clarifying the intent of the White Paper and the recommendations of the Board. The current plan is to launch the public discussion of this White Paper at the upcoming Annual Meeting, so as to avoid engaging candidates who are busy preparing for the fall exam sitting.

There was a motion to constitute a Task Force, comprising a combination of volunteers from the education and marketing functional areas, to craft a detailed and comprehensive communication plan for the FCAS Education White Paper. The Task Force will complete its deliberations in time for the November launch and will report to the Board at the November Board meeting.

The motion was seconded and approved unanimously, with 15 members voting.

15. DISCONTINUANCE OF ACAS CREDENTIAL

Debbie Rosenberg introduced this item and described the implementation plan for discontinuing awarding the ACAS credential that was devised by her and Cynthia Ziegler at the Board's request. There are a number of issues that still need to be resolved before action can be taken on this issue. It was noted that the outcome of the election as regards the ACAS right to vote might cast this issue in a new light, especially given the wide margin by which the former was defeated. Some expressed the opinion that the Board should await the reaction to the FCAS Education White Paper before making a final decision on what to do about the future of the ACAS (and how to time it). It was agreed that the Board would table this issue at least until after reviewing the membership reaction to the White Paper.

There was a motion to dismiss the Board Task Force on the ACAS Credential with thanks.

The motion was seconded and approved unanimously, with 15 members voting.

Due to the extended pendency of this issue, and the degree of misinformation circulating among the membership on this and related topics, it was agreed that some communication with the membership regarding the status is appropriate at this time, and any such communication would reiterate the Board's September 2004 action on this subject indicating that if the ACAS credential were discontinued the Board "...expected that the then-current ACAS's will either complete their remaining exams and become FCAS's, or remain ACAS's until they cease their membership in the CAS."

16. ICA 2014 FUND

There was some discussion of the costs of previous ICA meetings, and their implications for the CAS hosting of the meeting in 2014. It was agreed that the budgetary impact of this meeting could be moderated by setting aside some funds over the next several years.

There was a motion to establish an ICA 2014 Fund by including \$12,500 in the 2007 FY budget, and the same amount in each subsequent year for seven additional years, until the 2014 FY budget.

The motion was seconded and approved unanimously, with 14 members voting.

17. DRAFT OF PRINCIPLES UNDERLYING ACTUARIAL SCIENCE

Roger Hayne introduced Mark Allaben, CAS Chair of the Joint CAS/SOA Committee considering this item. Mark discussed these Principles and the history that led to the current draft. Mark mentioned that the existing Principles for the CAS (Reserving, Ratemaking, and Valuation) are not comprehensive in nature. The new document – the Principles Underlying Actuarial Science – is intended to be more fundamental, and formally grounded in Finance and Statistics, than the existing Principles or the Actuarial Standards of Practice. Mark described the resulting Principles as rather like "laws" and "theorems" of actuarial science. Furthermore, being a joint effort of the CAS and SOA, this document is intended to bring together and highlight the commonalities of actuarial theory and practice among the different functional areas.

The 1999 discussion draft of this document was extensively commented upon and has since been heavily revised. Mark indicated that the SOA has voted to expose the draft to their membership, and is concurrently seeking legal review of the document. He also reminded the Board that a supermajority vote of the Board would be required for the Principles to be adopted by the CAS.

In addition to the question of potential legal issues, the question was raised of possible conflicts between this document and the previous CAS Principles documents that are still in effect. Mark stated that that review has not yet been performed. Members of the Board expressed discomfort with approving release of an Exposure Draft before it is in its final form.

There was a motion to refer the draft Principles Underlying Actuarial Science back to the EC to oversee a legal review of the draft and a comparison of the document with other Principles for consistency. The EC should proceed to release the Principles as a discussion draft once this work is complete.

The motion was seconded and approved unanimously, with 13 members voting.

18. GOVERNANCE ISSUES

Tom Myers reported on several issues recently considered by an ad hoc committee on governance issues. A number of recommendations were outlined in the Board material. The committee concluded that a standing committee on governance issues was not necessary at this time. Instead, the group recommends that Task Forces be established as necessary to deal with individual issues as they arise. The group also concluded that the one-year term for the Board Chair position is appropriate and should continue at that length. Continuity issues that arise due to the brevity of the term should be dealt with by other means, such as additional training for Chairs before they undertake the office.

Several steps are also needed to implement the Constitutional revisions approved by the membership in the recent election. The Board will defer until the November meeting the resolution to appoint the AAA VP-Casualty to the Board. The new VP will have been approved by the AAA Board by that time.

There was a motion to appoint a Task Force to identify additional candidates for appointment to the Board pursuant to the Constitutional changes, with a report to the Board to be expected in March or May 2007. The Task Force members are to be selected by the President, President Elect, and Immediate Past President.

The motion was seconded and approved unanimously, with 14 members voting.

19. EXECUTIVE SESSION

At 9:00 a.m. on September 15, the Board went into Executive Session until about 9:30 a.m.

After reentering open session there was a motion to ratify the actions, taken in Executive Session, to appoint Regina Berens as Chair of the 2007 Long Range Planning Committee.

The motion was seconded and approved, with 11 members voting in favor and one abstention.

There was a motion to ratify the action, taken in Executive Session, to appoint a Board Task Force to prepare the CAS Board response to the CRUSAP draft report by October 31, 2006.

The motion was seconded and approved unanimously, with 12 members voting.

There was a motion to ratify the action, taken in Executive Session, to present the 2006 Rodermund Award to Richard Roth, Sr., and Richard Roth, Jr.

The motion was seconded and approved, with 11 members voting in favor and one abstention.

20. CAS JOURNAL NAME

Joanne Spalla introduced and discussed this item. She summarized the extensive process that the CAS has undertaken to identify a name. She stated that the branding consultant selected by the CAS suggested that the CAS select a very short name with a longer (but changeable) tag line. The Publications Implementation Task Force selected *Variance: Advancing the Science of Risk*. A mission statement was also selected, which will be included in the journal each time it is published.

There was some sentiment expressed that the title does not sound actuarial enough, and is not specific for casualty insurance. Joanne stated that the word “casualty” is not widely enough recognized for use in the title of a worldwide journal. However, the mission statement clearly indicates the orientation of the journal toward non-life insurance. The Board discussed this issue and reached a consensus that this issue is adequately addressed in the current plan. The Board then expressed its general enthusiasm for the name, and its appreciation of the extended efforts that went into its selection.

Joanne went on to state that a detailed search for copyright / trademark conflicts will be made for an initial cost of \$6,000 after the name has been approved by the Board.

There was a motion to approve the name and tagline *Variance: Advancing the Science of Risk*, pending the completion of a copyright search.

The motion was seconded and approved unanimously, with 13 members voting.

21. MOVING EXAM 2/FM TO COMPUTER BASED TESTING (CBT) AND DISCUSSION OF EXAM 3

Jim Christie introduced this item and outlined the considerations attendant to it. Four universities recently complained to the CAS about the distance (between 40 and 100 miles) that their students have to travel to reach a CBT center. Jim stated that Thomson ProMetric is seeking to add additional testing centers to alleviate this problem. Jim also went over some of the major advantages of CBT, such as immediate grading, and greater frequency of test offerings. He said that the transition of Part 1 has been very successful, with a more frequent exam offering and 98-99% of all exams now being taken in a computer-based environment.

There was a motion to approve the transition of Part 2 to CBT; to immediately stop releasing old exam questions for Part 2; to issue a Part 2 CBT RFP to Thomson and to ACT for implementation in November 2008; to plan to offer the exam four times in 2009; to stop releasing questions for Parts 3 and 4 in the near future to facilitate a timely construction of a question bank for the eventual transition of those exams to CBT; and to announce the impending Part 2 transition as soon as is practical.

The motion was seconded and approved unanimously, with 12 members voting.

Next there was discussion of the CBT Committee’s request that the CAS reconsider jointly offering Part 3 with the SOA’s Exam M. The tests still remain separate because the CAS places more emphasis on Statistics, with the SOA emphasizing Life Contingencies. This issue has been extensively discussed, and rejected, in the past. It was noted that the CAS will grant credit for Part 3 to any candidate who completes both parts of SOA Exam M, although the SOA does not reciprocate.

Failure to exploit economies of scale will likely make it cost-prohibitive for the CAS to move to CBT for Part 3 if it continues to be a completely separate exam from Exam M. A suggestion was made that the CAS and SOA offer a partially overlapping exam, with the questions on the common portions of the exam being drawn from a common question bank, and questions for the unique sections being drawn from CAS and SOA-specific banks. Thus a candidate taking the common sections along with Statistics would be graded according with (and given credit for a passing grade for) Part 3; whereas a candidate taking the common sections and Life Contingencies would be graded and given credit for Exam M. This would potentially permit Part 3 to be given on a computer basis and take advantage of the question bank, without it becoming a fully joint exam.

There was a motion to appoint a Task Force to reconsider the issue of jointly offering CAS Exam 3 and SOA Course M, with the Task Force specifically charged with considering, among other options,

the possibility of a partially overlapping CBT exam with a joint question bank for the common sections.

The motion was seconded and approved, with 7 members voting in favor, 5 against, and 1 abstention.

22. INFORMATION ITEMS

The following items were presented for the Board's information. Board members were given the opportunity to comment on any item:

- 2006 LRPC Report Update (Attachment 26)
- CAS Insurance Program for 2006-07 (Attachment 27)
- Proposed EC Goals for 2006-07 (Attachment 28)
- Results of May 2006 & VEE Exams (Attachment 29)
- ABCD Status Report (Attachment 30)
- Q3 FY 2006 Financial Statement (Attachment 31)
- Meeting/Seminar Attendance Data (Annual Report) (Attachment 32)
- EC Minutes (May 9, June 13 and August Agenda) (Attachment 33)
- Executive Director's Report (Attachment 34)
- June 2006 NAAC Report (Attachment 35)
- IAA and ICA Paris Reports (Attachment 36)
- Publication Task Force Report (Attachment 38)
- Bank Operational Risk (Attachment 39)
- ERM Report (Attachment 40)
- ERM for Non-Profits Article (Attachment 41)
- Health Care Issues Update (Attachment 42)
- Equitable Life Assurance Society Archive (Attachment 43)
- Joint China Office Report (Attachment 44)
- Trip to China Report (Attachment 45)
- Regional Affiliates Report (Attachment 46)
- CAS-Sponsored ERM Research Report (Attachment 47)
- ERM Academic Symposium (Attachment 50)

There was brief discussion of items 31, 39, and 47.

23. NEW BUSINESS

One Board member mentioned the fact that the Committee on Property-Liability Financial Reporting (COPLFR) of the AAA has begun to prepare a white paper on Reserve Ranges, and is seeking the sense of the CAS Board on whether such a white paper will be considered timely and well-received. An EC member noted that a CAS Working Party has just completed a white paper on Reserve Variability, which might have some areas of overlap with the intended COPLFR paper. This information will be conveyed to COPLFR and to the AAA VP-Casualty for their consideration, so that any overlap can be eliminated and potential conflicting content avoided.

24. ADJOURN

Steve D'Arcy declared the meeting adjourned at 11:30 a.m.

Immediately following the regular Board meeting, an optional information session was held for the Board and Executive Council. In three separate presentations, invited guests provided insights regarding the operations of public and private boards, for both profit and non-profit organizations, including considerations

to be kept in mind when nominating new members. This was an educational exercise intended among other things to inform the Board's judgment as it prepares to respond to the recently passed Constitutional governance initiatives. This session adjourned at 2:15 p.m.

Respectfully submitted,

Kenneth Quintilian
Assistant Secretary - Board of Directors

Approved November 12, 2006.

Subsequent to the meeting, the Board unanimously approved via e-mail the recommendation to post on the CAS Web Site the September 14-15, 2006 Board Meeting Executive Summary, with 15 voting.