

MINUTES
CAS BOARD OF DIRECTORS MEETING
November 15, 2009
Boston, MA

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.

Board Chair: Christopher Carlson
President: John Kollar
President Elect: Roger Hayne

AAA Liaison to the CAS Board: Gary Josephson
CIA Liaison to the CAS Board: Hugh White

Vice Presidents: Kevin Dickson (ERM), Louise Francis (Research & Development), Andrew Kudera (Professional Education), David Menning (Admissions), Kenneth Quintilian (Administration), Patricia Teufel (Marketing & Communications).

CAS Executive Director, Cynthia Ziegler; Assistant Secretary – Board of Directors, Chester Szczepanski

Invited Guests: Richard Goldfarb, Arlie Proctor, Leslie Marlo, Nancy Braithwaite, Kathryn Morgan, Dick Delaney, Regina Berens, Aaron Halpert, Margaret W. Germani.

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

Observers: Clive Keatinge

Excused: Mavis Walters

Chris Carlson called the meeting to order at 8:00 a.m. EST on November 15, 2009 and began the meeting by welcoming the new officers and Board members.

I. CONSENT ITEMS

- The following consent items were moved and approved unanimously:
 - Minutes of September 28 – 29, 2009 Board Meeting
 - 2009 -2010 Nominating Committee Membership
 - Formation and charge of the Constitution & Bylaws Task Force
 - Revised Policy Statement for Prizes and Awards
- The Board delegated approval of the President's Position Description to the Executive Council. In the future, the position description should be provided to the Board as an Information Item.

II. CONTINUING EDUCATION REQUIREMENT PROPOSAL

- Andy Kudera introduced this item.
- **There was a motion to approve the release of the Second Exposure Draft of the CAS Continuing Education Policy to the membership for exposure and with submission of comments due by December 15, 2009.**
- The implementation of this proposal will probably be effective January 1, 2011, to be applicable to those members rendering Actuarial Services on or after January 1, 2012.
- It was discussed that Actuarial Services definition is broader than the Academy's definition of Actuarial Opinion. The proposal expands beyond the Academy's Continuing Education requirements, since it applies to all CAS members, including members practicing outside the United States and Canada, with just a few exceptions. This requirement does not apply to those CAS members who are not providing actuarial services. This proposal is a practice requirement, not a membership requirement. The two year cycle will make it easier for members to obtain the continuing education credits needed, especially the structured credits.
- **The motion was seconded and approved unanimously.**

III. FUTURE EDUCATION METHODS

- David Menning introduced this item and explained that the CAS, SOA, and CIA have been jointly exploring proposals to develop future education methods.
- In response to a request for feedback, more than 80% of comments received from CAS members seemed to be opposed to the concepts discussed for FEM.
- Some Board members expressed the need to continue to discuss the concepts and be a part of the process. It was stated by those involved in the process that the CAS may be able to make some changes to improve its educational system if it continues to participate.
- There was discussion on the possibility of rescheduling the timing of the preliminary actuarial exams so they can be given as university class finals.
- Feedback from the universities indicated that some academic members are against the idea with the issue being academic freedom in determining curriculum.
- There was sentiment that the CAS should continue the dialog with the other actuarial organizations. In addition, there was agreement that the CAS should conduct a Member Advisory Panel survey; however, it is important to provide the Panelists with the facts so they better understand the proposal before completing the survey.
- There were concerns expressed related to losing Canadian members if the CAS did not participate. However, the CAS could consider a mutual recognition agreement to accommodate a Canadian-only program in order to continue admitting CIA members (Fellows) into the CAS.
- At the end of the discussion it was announced that the CERA Treaty had been signed in India.

IV. ABCD DISCIPLINE PROCESS

- John Kollar introduced this item and explained that the intent is to increase the Board's awareness of the U.S. discipline process and update the Board on recent developments within the profession's leaders to improve it.
- The Board discussed the issue of whether discipline actions imposed on CAS members should be the exclusive responsibility of the CAS. CUSP is considering a common discipline process in which a panel of the ABCD would be involved in making decisions on discipline of CAS members, not involving expulsion or suspension for more than two years. The CAS Discipline

Committee and some members of the Board have expressed opposition or concern with some aspects of the CUSP proposal.

- The Board will discuss the issue further at the March 2010 Board meeting.

V. 2009 STRATEGIC PLANNING COMMITTEE REPORT

- Regina Berens, Chair of the Strategic Planning Committee, introduced this item and referred the Board to the proposed objectives for 2010. The Board discussed the objectives and there was general agreement that there should be a stronger focus on research.
- There were lengthy discussions on the dividing line between the work of the Risk Management Committee and Strategic Planning Committee.
- There was a suggestion that when the Board is considering opportunities for the CAS, the risk inherent in these opportunities should also be identified for the Board.
- It was pointed out that strategic planning is a critical Board function. As such, there was discussion that the committee should include additional Board members and fewer non Board members, with the ability to create subcommittees or task forces to deal with individual issues as needed.

At 11:35 a.m. EST, the Board entered Executive Session. Open session was reconvened at 1:00 p.m. EST following the lunch break.

VI. RISK MANAGEMENT COMMITTEE REPORT

- Aaron Halpert, Chair of the Risk Management Committee, presented the report of the Committee.
- Aaron recommended that the Board approve the RMC's risk assessment and charge the Executive Council with developing risk mitigation strategies for all risks assessed as high or medium.
- The Board commended the committee on the quality of the report and agreed that mitigation plans and timelines should be developed. While there was a lengthy discussion on how to prioritize the items, including a Zoomerang survey, there was general agreement that actuarial reputation was the highest priority risk.
- It was mentioned that a number of the risks are already being addressed, and it was requested that the EC provide a report on how the risks are being addressed for the next Board meeting. Gary Josephson will provide an update on the reputation risk mitigation tactics being handled by the AAA.
- The Board directed the Committee to add investment risk to the list.
- The Board suggested that the Committee initiate the investigation of the CAS's risk tolerance.

VII. INFORMATION ITEMS

The following items were provided for the Board's information. Members were given the opportunity to comment on any items.

- EC Minutes
- Q4 FY 2009 Financial Statement
- Regional Affiliates Report
- Fourth Cycle Report
- 2010 Presidential Goals
- Investment Committee Report
- Debrief on October 2009 NAAC Meeting

- Debrief of October 2009 CUSP Meeting
- Report of October AAA Board Meeting
- Executive Director's Goals
- Executive Director's Report
- 2009- 10 CAS Office Goals
- Global ERM Designation
- Hong Kong Joint Office Budget
- The Actuarial Foundation Report
- Highlights of CAS 2009 Annual Meeting
- GIRO Report
- ABCD Status Report
- IAA Newsletter
- Vital Statistics Review
- Task Force of New Members
- CAS Research Report
- Report of CAS Web Site
- Report of Discipline Committee

There was a motion to adjourn the meeting of the 2008-2009 Board of Directors of the CAS.

This motion was seconded and approved unanimously. Chris Carlson declared the meeting adjourned, and the 2008-2009 Board dissolved, at 2:30 p.m. EST.

Respectfully submitted,

Chet Szczepanski
Assistant Secretary – Board of Directors

Approved: March 22, 2010

MINUTES
CAS BOARD OF DIRECTORS MEETING
November 15, 2009
Boston, MA

John Kollar, Chairman of the 2009-2010 Board of Directors, called the meeting to order at 3:00 p.m. EST. He welcomed the four new Vice Presidents of the Executive Council and extended the CAS' thanks to outgoing members of the Executive Council, Vice Presidents Ralph Blanchard, Andy Kudera, Ken Quintilian, and Pat Teufel. He also welcomed the new Board members and extended the CAS' thanks to outgoing Board members Brian Brown, Charles Bryan, Mary Miller, Joanne Spalla, and Mark Vonnahme, and to the outgoing Chairman, Chris Carlson.

I. MAJOR BOARD TOPICS FOR 2010

- John led a discussion of major board items to be discussed in 2010 (as presented in Board materials). These items included:
 1. Relevance of Actuaries
 2. Centennial Goal
 3. Strategic Plan
 4. Research
 5. Global ERM Designation
 6. International Coordination
 7. Continuing Professional Development
 8. Associateship Issues
 9. Future Education Methods
 10. Volunteerism
 11. Are recruiting efforts effective at attracting young students of appropriate quality
 12. US Actuarial Discipline Process
 13. Board Governance
 14. Risk Management Committee
 15. Academy Collaboration Task Force (ACTF)
 16. Constitution and Bylaws
 17. Principles/Foundational Statements
- There was a discussion on the Board's ultimate responsibility for risk culture, and a suggestion that the Risk Management Committee's report serve as a living document that should be an agenda item at least twice a year. The risks of an initiative should be added to all items considered by the Board
- The Presidential Goals should be added as a consent item at the March 2010 meeting.
- Composition of the Risk Management Committee and Strategic Planning Committee was discussed. Several members felt there should be more Board members on both committees and the Board members should be more actively involved on committees. There was some discussion of whether the Chairs of these committees should be Board members. It was generally agreed the Chair should not be a Board member. The Risk Management Committee should have adequate representation by practitioners of risk management. Beth Fitzgerald volunteered to serve on the Strategic Planning Committee with Arlie Proctor continuing as a member of this committee. Richard Goldfarb volunteered to serve on the Risk Management Committee. Ken Quintilian volunteered to serve on the Audit Committee.
- There was a discussion on how the CAS could make better use of its appointed directors. Service on committees was presented as an idea.

- John referred to the Conflict of Interest Policy and Statement included in the agenda books and asked the Board members to complete and submit the form.

There was a motion to adjourn the meeting. The motion was seconded and approved unanimously and the meeting was adjourned at 3:50 p.m. EST on November 15, 2009.

Respectfully submitted,

Wendy Germani
Assistant Secretary – Board of Directors

Subsequent to the meeting, the Board unanimously approved via e-mail the recommendation to post on the CAS Web Site the November 15, 2009 Board Meeting Executive Summary, with 17 voting.

Approved: March 22, 2010