I. CONSENT ITEMS

A motion to approve the following consent items was made:

A. Board Meeting Minutes
   There was a recommendation to approve the minutes of the March 4, 2014 Board teleconference.

B. Ratify Executive Session Items
   There was a recommendation to ratify the actions taken during Executive Sessions during the November 3, 2013, January 28, 2014, and March 4, 2014 Board meetings. Actions included:
   - The Board agreed to engage with the Leadership Development and Nominating Committees to explore what might be done to increase name recognition for candidates who wish to run for the Board of Directors.
   - The Board agreed to continue the current practice of announcing voting tallies for all candidates at the close of each election.
   - The Board agreed that since the CAS is encouraging the use of social media overall, election candidates should not be discouraged from this activity, although guidelines should be developed. Note: This was referred to the Executive Council to develop the guidelines, which were approved by the Board during the March 4, 2014 teleconference.

The motion to approve the items listed above was approved with 17 voting in favor and one abstention.
II. NAIC CASTF REQUEST
Wayne Fisher provided an overview of the letter he submitted to the National Association of Insurance Commissioners’ (NAIC) Casualty Actuarial and Statistical Task Force (CASTF) in response to the CASTF’s invitation to submit ideas for and/or comments about actuarial education measurement criteria needed to be a P&C Qualified Actuary. Mary Miller and Mike Angelina briefed the Board on the recent NAIC meeting held March 29-April 1, during which Wayne’s letter and related issues were discussed.

III. STATEMENT OF PRINCIPLES REGARDING PROPERTY AND CASUALTY INSURANCE RATEMAKING
Chris Carlson led the discussion on the work of the Task Force for the Review and Update of the Statements of Principles, describing the work that the Task Force has completed since the last report to the Board in November 2013. He outlined the Task Force’s plans to submit the revised draft for the Statement of Principles Regarding Property and Casualty Insurance Ratemaking to the NAIC CASTF and to the chair of the Academy Casualty Practice Council (CPC) for their review. Following the receipt of feedback, the Task Force would adjust the drafts as necessary and present an Exposure Draft to the Board for approval to release the draft to the CAS membership.

There was a motion and second to approve release of the revised Draft for the Statement of Principles Regarding Property and Casualty Insurance Ratemaking to the NAIC Casualty Actuarial and Statistical Task Force and to the Academy Casualty Practice Council to determine whether the revised draft adequately addresses the concerns they raised regarding the initial draft.

The Board discussed issues related to ratemaking versus pricing. It was clarified that the Ratemaking Principles were intended to address actuarial ratemaking. The CPC is considering the development of educational materials related to pricing.

The was a question regarding the status of the CAS request to the Actuarial Standards Board (ASB) to develop an Actuarial Standard of Practice (ASOP) to address concepts presented in the considerations section in the current ratemaking principles, which have been removed in the revised draft. Chris reported that the CAS Task Force on Principles is working with and/or serving on an ASB task force to develop a ratemaking ASOP. The adoption of revised ratemaking principles is intended to be coordinated with the release of a ratemaking ASOP.

It was suggested that when the draft principles are sent to the NAIC CASTF and Academy CPC, the cover memo should provide context for other related activities under development.

The motion was approved, with 17 voting in favor and one opposed.

IV. FY 2013 AUDIT COMMITTEE REPORT
Jim Merz, Chairperson of the Audit Committee, presented the 2013 Audit Committee Report and noted that the independent auditor’s report is once again unqualified. Jim responded to questions and requests for clarifications by members of the Board on items in the report.

There was a motion to accept the FY 2013 Audit Committee Report.

The motion was seconded and approved unanimously.

Jim described work within the Audit Committee related to audits of non-financial processes. The Committee anticipates submitting a report on these audits to the Board at an upcoming meeting.
V. ORGANIZATIONAL STRUCTURE TASK FORCE UPDATE
Wayne Fisher provided an update on the work of the Organizational Structure Task Force. The Task Force has developed a mapping of CAS committees responsible for addressing Board priorities and the goals included in the Strategic Plan. With several of the priorities and goals being addressed by multiple committees, the task force is working to identify a lead committee to coordinate the effort.

VI. GENERAL INSURANCE & PROPERTY/CASUALTY ACTUARIAL ALLIANCE (GIPCAA)
Bob Miccolis provided an update on the development of an alliance intended to be a framework for collaboration among actuarial organizations that have a concentration of members who specialize in practice areas that align with CAS members. Informal discussions have been held with these organizations and the feedback has been positive. The next step is to form a small international task force to discuss how to move the concept forward. Organizations will be invited to identify delegates to the task force.

VII. MUTUAL RECOGNITION AGREEMENTS
Virginia Prevosto led the discussion on mutual recognition. She provided background on the issue and updated the Board on the status of current agreements with other actuarial organizations. There was a request for data on the number of CAS members who are currently recognized by other organizations. Cynthia Ziegler will request the data from the executive directors of the organizations with whom CAS has mutual recognition agreements.

There was general support for continuing mutual recognition agreements, provided the agreements are fairly balanced. That is, the criteria required of CAS members to be recognized by another organization should be no more onerous than what CAS requires of actuaries from the other organization who wish to be recognized by the CAS. Current agreements should be reviewed accordingly, and there was a suggestion to charge the Risk Management Committee with reviewing risks related to mutual recognition agreements.

Virginia then described pending requests for mutual recognition agreements and the Education Policy Committee’s (EPC) review process and criteria for considering such requests. It was suggested that the EPC should document and formalize its process for reviewing new agreements.

Issues raised by the Board will be discussed further by the EC at the EC meeting to follow the Board meeting.

VIII. RISK MANAGEMENT COMMITTEE REPORT
The Board discussed the proposed Risk Appetite Statement (RAS) developed by the Risk Management Committee (RMC). The RMC presented an initial draft of the RAS for consideration by the Board in November 2013 and refined the statement based on feedback by the Board. There was general support for adopting the statement, which will provide guidance for leadership decisions across the organization.

Board members commented that the statement was iterative would naturally evolve over time.

The Board discussed whether the statement should be considered a public document, and there was general agreement that as a first step, the statement would be provided to the Board and Executive Council only, and later exposed to Leadership Meeting attendees.

There was a motion that the Board formally adopt the Risk Appetite Statement and associated governance guidelines as presented, limit its availability to the Board and Executive Council at this time, expose it at the CAS Leadership Meeting, and continue its evolution.

The motion was seconded and unanimously approved.
With the adoption of the RAS, the RMC will undertake an evaluation of potential qualitative and quantitative metrics that should be considered for incorporation into a future amended version of the RAS.

IX. CROSS-BORDER DISCIPLINE AGREEMENT
The Board unanimously approved the motion to endorse the direction established by the Cross-Border Working Group to add Mexico to the existing Cross-Border Discipline Agreement, subject to review of the wording of the revised agreement.

X. PRESIDENTIAL SUCCESSION
Chris Nyce led the discussion on plans to clarify CAS presidential succession should a sitting or incoming President be unable to serve out the term of office. The EC believes an amendment to the CAS Constitution is appropriate, as reflected in the agenda material.

There was a motion to endorse the proposal to address CAS presidential succession should a sitting or incoming President be unable to serve out the term of office, as presented.

The motion was seconded unanimously approved.

The next step will be to have the proposal reviewed by legal counsel. Fellows would then be asked to approve the amendment to the Constitution in conjunction with the 2014 CAS elections. It was suggested that the CAS Constitution be reviewed for potential “housekeeping” updates that may be necessary and that could be voted upon by the Fellows at the same time.

XI. FY 2015 SUBSTANTIVE BUDGET ITEMS
Chris Nyce presented the list of new, substantive items expected to be included in the FY 2015 budget and responded to questions and requests for clarification from members of the Board.

XII. EXECUTIVE SESSION
The Board went into Executive Session at 4:30 p.m. EDT and then adjourned for the day. Open session reconvened on April 5 at 8:00 a.m. EDT.

XIII. UNIVERSITY ENGAGEMENT UPDATE
Roosevelt Mosley provided an overview of the update from the University Engagement Committee, which has been an active and effective committee. It was mentioned that there is a downside to effectively promoting opportunities within the actuarial profession to university students, which is that the profession may not have the job openings to absorb the large numbers of college graduates seeking entry-level actuarial positions. The Board discussed the need to better understand the pipeline of entry-level candidates and it was suggested that the CAS should develop outcome-oriented data about who gets hired, i.e., the attributes of successful candidates getting a job. It was also suggested that the CAS should be proactive in assisting members with applying their actuarial skills outside of traditional actuarial employers. For example, the CAS should think strategically about continuing education programs that would educate members so they can move into other positions. The EC will follow-up on these issues.

XIV. BRAND MARKETING IMPLEMENTATION TASK FORCE UPDATE
Joanne Spalla provided an update for the Board regarding the work of the Brand Marketing Implementation Task Force. The Task Force is making significant progress in implementing the tactics identified by the FCAS Brand Task Force, as well as identifying new tactics to be pursued. Recent activities have focused on the initial meeting of the new Employers Advisory Council, the promotion of CAS Student Central, and the development of a working group devoted to the Candidate audience.
Members of the Board provided feedback and suggestions on the work of the Task Force, including potential new areas of opportunity to promote the CAS brand.

**XV. CIA UPDATE**
Christopher Townsend, Liaison to the CAS Board from the Canadian Institute of Actuaries (CIA), provided an update on CIA activities.

**XVI. AMERICAN ACADEMY OF ACTUARIES UPDATE**
Mike Angelina, American Academy of Actuaries Liaison to the CAS Board, gave a report on the Academy and Casualty Practice Council.

**XVII. ACAS ISSUES**
Bob Miccolis led the discussion on issues related to “Career Associates” as outlined in the agenda material. It was suggested that there is a need to review the data to understand the trends and determine the scope of the issue, with a number of suggestions for specific data and information that should be analyzed.

There was a motion to form a Task Force and conduct a data analysis.

It was mentioned that there has not been an opportunity for a discussion of the issues among the EC, and there was a suggestion to have a discussion at the EC level before forming a Board-level Task Force. There was general agreement to ask the EC to look at the various issues.

The motion to form a Task Force was withdrawn.

The Board agreed to charge the EC with reviewing ACAS issues in the current environment. Items to consider include data on how many individuals are affected, a survey of the individuals, the Risk Management Committee’s analysis of the issues, and other issues as discussed.

**XVIII. ERM SPECIAL INTEREST SECTION STATUS UPDATE**
Bob Miccolis reported that the inaugural meeting of the ERM Special Interest Section would be held in conjunction with the CAS seminar scheduled for June in Denver titled, “In Focus: Navigating Risky Waters-ERM for P&C.” Don Mango will chair the organizational meeting. The Section is intended to provide a forum for active engagement among members who are active in, or learning about, ERM in the property/casualty field.

**XIX. INNOVATION COUNCIL**
Bob Miccolis gave a presentation on the development of a CAS Innovation Council, which will provide a sustainable approach for stimulating, assessing, agreeing on and implementing innovative ideas within the CAS. After Bob outlined the proposed responsibilities and characteristics of the group, members of the Board debated the scope that innovation may address within the CAS. The next step is to recruit a leader and members for the Council. The EC will continue working on the development of the Council.

**XX. STRATEGIC ALLIANCES**
Julie Stenberg led the discussion on the Strategic Plan goal to “solidify partnerships with other organizations that work closely with CAS members in common business sectors.” The Board suggested ideas for organizations with which the CAS could collaborate, while expressing the need for a strategy that would underlie the priority targets. With the input from the Board, the discussion will be continued among the EC at the EC meeting to follow the Board meeting.
XXI. CONTINGENCY PLANS
The Board unanimously approved the motion to adopt the revised contingency plan for the Be An Actuary website and Future Actuary newsletter, as presented.

XXII. BLUE SKY DISCUSSION
Gary Josephson explained that for the May Board meeting, he is scheduling time for a “Blue Sky” discussion, which will be an opportunity for the Board to discuss issues that may not be on its operational radar, but for which Board discussion may be appropriate. The Board discussion will provide input to the strategic planning discussions to take place at the Board retreat in August.

XXIII. INFORMATION ITEMS
The following items were presented for the Board’s information:
B. Board Delegated Items Update
C. Fall 2013 Examination Results
D. Board Topics/Master Calendar
E. 2014 Leadership Meeting Date and Location
F. Regional Affiliate Reports
G. October IAA Meeting Report
H. October EAAC Conference Report
I. NAAC Annual Report
J. Actuarial Society of South Africa (ASSA) Conference Report
K. China Actuarial Association Conference Report
L. GIRO Report
M. Actuarial Students National Association Report
N. IAA Special Newsletter
O. Education Structure Task Force Update
P. Board Meeting Evaluation Forms

There was a motion to adjourn the meeting. The motion was seconded and approved unanimously.

Gary Josephson declared the meeting adjourned at 11:30 a.m. EDT on April 5.

Respectfully submitted,

J. Michael Boa
Director of Communications and Marketing

Approved: May 29, 2014