

REPORT OF THE VICE PRESIDENT-ADMINISTRATION

In order to provide a framework for addressing several important issues facing the Casualty Actuarial Society (CAS) and its members, the Board of Directors and the Long Range Planning Committee worked throughout the year to develop a strategic plan for the CAS. This plan was approved by the Board in September 1996 and is being mailed to the membership. Our activities this year have centered around the four purposes of the CAS as stated in our constitution.

Our first purpose is to advance the body of knowledge of actuarial science in applications other than life insurance. In support of this purpose, the CAS has made significant progress in the area of research this year. As one measure of the pace of activity, the CAS completed five different prize programs and funded research projects in 1996, and another five are underway. Topics included dynamic financial models, real-world valuation of property/casualty companies, ratemaking issues such as catastrophes and territorial relativities, and reserving for workers compensation and mega-risks.

In addition, the CAS Board laid the groundwork for future research by deciding to join with the SOA in supporting a new actuarial foundation. This new organization will support research to extend the frontiers of actuarial knowledge.

Our second purpose is to establish and maintain minimum standards of qualification for membership. The admissions committees have addressed this objective by making continuous improvements to the *Syllabus* and examination process, while overseeing the testing of approximately 6,300 candidates this year. During 1996, members of the CAS Educational Task Force continued to identify needed skills for actuaries of the future and to shape our education process to develop those skills. Preliminary draft course descriptions for several examination parts are now under review by our admissions committees. The Task Force members are working in cooperation with the SOA Design Team

to explore potential joint-sponsorship of several of the new exams.

Our third purpose is to promote and maintain high standards of conduct and competence for the members. To help fulfill this purpose, continuing education opportunities have increased. A wide variety of topics was offered this year, including sessions on catastrophe issues, capital and reinsurance, and emerging technologies.

Our fourth purpose is to increase the awareness of actuarial science. The CAS has addressed this by continuing to provide financial support to Forecast 2000—a project which promotes the image of the actuary and reaches out to public policy makers.

We also took a major step forward this year in our ability to reach out to various audiences by establishing the new CAS Web Site—www.casact.org—in early October. Current features include a “Students’ Corner,” a “Members Only” section with searchable *Yearbook* listings, a research section, and a section for people considering a career as an actuary. Already, 550 members have registered a password, and we expect explosive growth in the content and usage of the web site over the next few years.

The CAS office continues to provide excellent support and to expand its services and capabilities. New services this year included supporting the Web site, producing the *Student Newsletter*, instituting credit card payment options, and implementing conference call services for committee meetings.

In closing, I am pleased to report that our membership has continued to grow and that our financials are well in order. We have added a total of 218 new Associates and 123 new Fellows this year, which increases our membership to 2,705.

Preliminary financial statements show that fiscal year 1996 ended with net income of \$459,000. Members’ equity now stands

at about \$2.1 million. Due largely to the tremendous efforts and sacrifices of our numerous volunteers, the CAS has had an active and productive year, and has emerged stronger and more focused than before.

Respectfully submitted,
Paul Braithwaite
Vice President-Administration