

VERSION 2.0

Open Letter of Opposition to the CAS Statement on Equity and Inclusion

This is an open letter of opposition to the CAS Statement titled Strategic Approach to Diversity (hereafter the CAS Diversity Document) that was released on October 23, 2020. This is a document that was issued by the CAS Board and the CAS President without any formal opportunity for comment and discussion by the membership. A major part of it is included as Exhibit 1 of this letter. A link to the full release is included here. <https://lnkd.in/gusJY2P>

We object to the CAS Diversity Document and ask the CAS to retract it. If there is interest in issuing a modified version, it should be the result of an open and transparent process that allows the membership to provide input.

We think the CAS Diversity Document violates the CAS Constitution. Article IX of the CAS Constitution forbids statements about questions of public interest. Yet many statements made in the CAS Diversity Document are explicitly about such questions. The CAS Diversity Document is too political.

The CAS Diversity Document moves the CAS into potential political controversy that is at odds with its fundamental purpose as a professional credentialing organization. We need our credentials to be accepted in all states and do not think the organization has any role issuing statements that might arouse political opposition in some states.

We also have major objections to the process under which the Diversity Document was issued. Under what authority did the Board issue a major statement on an important topic without giving the membership any chance to formally comment? It is disturbing that during the same time frame the CAS Board took action to rescind key Actuarial Principles, also without adequate input from membership and that it did so without consulting the NAIC.

We find key parts of the Diversity Document to be unclear. Here are questions about the interpretation of a few specific passages:

- What is the distinction between equality and equity being made in the statement, *“the CAS recognizes that equality will never be achieved until equity is our guiding principle”*? Does adopting equity as our guiding principle mean treating people differently on the basis of race, ethnicity, sexual preference, or other such attribute?
- Does the call to *“rebuild CAS systems to combat direct and indirect systemic bias”*, imply the CAS will look to rebuild the exam program? Does it mean we will have different passing scores for candidates based on their race, sex, ethnicity, religion, gender preference, or other characteristics? If not, what CAS systems are being referred to?
- Does the pledge to *“invest in the community at large, with particular focus on organizations that support racial justice in education.”* mean that money from CAS members’ dues could go to political action committees or other groups that claim to support racial justice in education?

If the CAS were to issue a revised document, it should endeavor to clarify these ambiguities and others that members might raise.

Though we oppose the CAS Diversity Document, we do believe in Equal Rights and in advancing opportunities for all. We support full compliance with federal and state Civil Rights laws. We support continuing efforts to attract more people from historically underrepresented groups into the Actuarial profession. These efforts include recruiting and outreach, offering scholarships, developing recruiting materials, and providing exam seminar and exam fee reimbursement for those in need. We support the work of actuaries promoting math education and assisting in curriculum development. We applaud the work of the Actuarial Foundation and the formation of voluntary affinity groups for actuaries of diverse backgrounds.

In summary, the CAS Diversity Document is unconstitutional and improperly political. It was issued without adequate input from the membership and there is too much ambiguity about what it means. We respectfully request the CAS Board rescind the CAS Diversity Document.

EXHIBIT 1

CAS STATEMENT TITLED: CAS STRATEGIC APPROACH TO EQUITY

Statement Extract:

The CAS has committed to fostering diversity and inclusion within our community for many years; in fact, diversity is identified as one of the CAS's seven core values in the 2017 CAS Strategic Plan. This summer, however, nationwide protests sparked by the death of George Floyd, Breonna Taylor and others, which continue to this day, prompted us to reach out to the CAS community and initiate discussion among CAS volunteers, staff, and leaders on what more we as an organization can do to address racial inequality. These discussions resulted in the CAS Board of Directors adoption of a strategic approach to racial equity, which we are pleased to share with the CAS community:

With a clearer understanding of the society in which we operate and its impacts on our own members and candidates, the CAS recognizes that equality will never be achieved until equity is our guiding principle and pledges to:

- 1. Center and amplify the viewpoints of underrepresented candidates and members - those who have been doing this work for years and know best how to address the issues of their constituencies.*
- 2. Break down the Barriers to Entry identified in the 2017/2018 SOA/CAS/IABA/TAF Research Study.*
- 3. Scrutinize and rebuild CAS systems to combat direct and indirect systemic bias, and ensure our work does no harm.*
- 4. Recognize that we do not exist in a vacuum and we cannot succeed unless we invest in the community at large, with particular focus on organizations that support racial justice in education.*
- 5. Set concrete goals and maintain transparency and accountability around progress and failure.*
- 6. Employ learnings from the above process to address issues facing members and candidates in other historically marginalized groups within and outside of North America.*

EXHIBIT 2

CAS CONSTITUTION – ARTICLE IX

Article IX Public Expression of Professional Opinion

No opinion with respect to questions of public interest shall be publicly expressed by, or on behalf of, the Casualty Actuarial Society, except on matters within the special professional competence of actuaries and then only with an affirmative vote of three-fourths of all members of the Board of Directors.

- (i) The Board of Directors of the CAS may, by a two-thirds vote of all members of the Board, direct the CAS's delegate to the International Actuarial Association (IAA) to vote on behalf of the CAS on a proposed public expression of professional opinion to be issued by the IAA and allow the IAA to list the CAS as a supporting organization of that public expression of professional opinion when the vote is positive.*
- (ii) An opinion of the Board of Directors or a committee authorized by the Board to express an opinion shall indicate that it does not purport to represent the views of the Casualty Actuarial Society, but only of the Board of Directors or the committee, as the case may be.*