



SOCIETY OF ACTUARIES

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# ACTUARIES ON THEIR OWN TIME

For several years **STEVE FREDLUND** wrestled with how he should respond to the issues facing sub-Saharan Africa. *The Actuary* is sure you'll agree the answer he came up with is a spectacular one.

When asked to explain what Our Response is, how it got started, how he became involved in it, and what his role currently is, Fredlund states, "For several years, I had been wrestling with how I should respond to the issues facing sub-Saharan Africa; issues like drought, famine and AIDS. However, time would go by and my involvement remained only limited. Struggling with a sense that I was supposed to be doing more, I finally attended a conference specific to the issue of AIDS in Africa, with the hope of becoming more informed and also determining how I could get involved. I was surprised to connect with two leaders in my community (Cambridge, Minn.) who were there for almost identical reasons. We decided to start meeting weekly to figure out how to get more involved both personally and as a community.

"After nearly two years of discussion, reading and research we knew what we wanted: 'To unite the people of East Central Minnesota to respond to global poverty, disease, and suffering.' To carry this out, we chose World Vision out of many potential partners to help raise

awareness of global issues in our rural Minnesota community and drive the people to 'respond' in a significant way. There were a few World Vision programs that recently launched that we could be a part of and we decided to focus our

Vision staff. The trip was impactful and left us with a confidence that we could rally and unite our community to help these beautiful people in this wonderful place. Upon our return, I was asked to lead the effort going forward and have

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efforts on the community of Kivuruga (pronounced: Key vah ROO gah) in the northern part of Rwanda, in East Africa.

"When we formally launched Our Response at the end of 2009, I cast the vision that by the year 2025, we will have a massive party to celebrate the self-sustainability of Kivuruga, Rwanda, knowing that during the first 10 years, the people of East Central Minnesota had provided more than \$1 million of direct funding toward the effort. With the effort centered in a rural, blue collar town of about 8,000 people in the midst of a recession, most people thought I was crazy.

"In November 2009, three area leaders and I travelled to Rwanda to see first-hand the issues and opportunities while building relationships with the residents and leaders of Kivuruga and the World

been volunteering as the director since the beginning."

What has been the most difficult obstacle he has had to overcome in regard to Our Response? Fredlund explains, "Leadership is always extremely difficult, and running a nonprofit is no different. There are always people who seem to take a vocal, contrarian position no matter how well-intended you might be. While I welcome any and all feedback, the most difficult personal challenge is having discussions with people who are opposed to what we are doing because we are not directing our efforts to those in need in the United States. I often respond to the question, 'What are you doing in Africa when there are so many needs here?' I typically start my answer with a question, 'Tell me a bit about what you are doing here?' More times than not, they just mutter under their



Steve Fredlund—In Kiviruga, Rwanda, East Africa.

breath and move on to verbally assault the next person trying to add beauty to the world. But, often these are comments made by people who are not involved in helping others and don't understand why we would help 'outsiders' before we help 'insiders.' To these people, I thank them for their contributions and tell them there are enough issues to go around; if we each work in the area we are passionate about, we will collectively change the world. I don't know why my passion is so strong for the people of Rwanda, but it is; so I offer my help with every ounce of my energy. For those who feel strongly about local homelessness, child obesity, human trafficking, or any of the other plagues of our day, I tell them not to get involved in what we are doing in Rwanda, but passionately contribute to eradicating the issue they most resonate with."

When asked what has been the most rewarding experience Our Response has provided him, Fredlund says, "In rural Minnesota, there is a tendency for people

and organizations to operate in isolation; there are very clear lines drawn over the years of what is 'right and wrong' and who is 'in and out.' The momentum Our Response has gained lately is uniting people, businesses, churches, governments and schools that are typically on opposite sides of an issue. At a recent celebration, we had our stage filled with people from all walks of life raising a united voice. As a lifelong resident of the Cambridge, Minn. area, this is something I have longed to see and is incredibly rewarding. As I often share at events, 'in this room we have people who come from every background, live every lifestyle, and vote every ticket; there are many reasons to be a divided community. But for the sake of feeding people, tonight let's be one community; tonight let's be united. Then let's see how much of that can roll over into tomorrow.'

"On a real personal level, I was in Washington, D.C. in November 2012 for the NAIC conference and had a couple of hours free on a late afternoon. Without an appointment, I traveled into the city and found the Rwandan embassy. Only the receptionist was there, but she let me look around for about 10 minutes. As I was preparing to leave the receptionist told me that the ambassador was about to arrive and I may get to meet him,

although he had another appointment scheduled. He agreed to meet me and we chatted for about 10 minutes before he was informed his appointment arrived; but the ambassador continued to talk with me for another hour before he finally excused himself. We talked about how Our Response can maximize its financial impact and the current issues surrounding Rwanda and the Congo. It was an amazing experience I will not soon forget."

"Last September (2012), we held an event called 'Step into Africa' at the Fairgrounds in Cambridge with the goal of having 3,000 people visit the event," Fredlund says when asked what Our Response's greatest accomplishment to date is. "At the end of the event, more than 4,100 people had participated and a huge impact was made in both raising awareness in the people of East Central Minnesota to the issues facing sub-Saharan Africa, but also in financial support of our efforts in Rwanda.

"Over our first three years, the funding for Rwanda has increased exponentially, now totaling more than \$360,000 and we are on track for another \$250,000 in 2013. We expect to reach our 10-year financial goal of \$1 million within the first five to six years."

When asked what future accomplishments he hopes Our Response will make, Fredlund states, "While focused on our partnership in Kiviruga, Rwanda, we are always looking ahead to what opportunities might be next. One of the areas that we have a lot of support for, and clearly there is a lot of need, is related to medical issues; specifically maternity. On my second trip to Rwanda in 2011, we

visited the health care facility in Kivuruga which included the maternity room. This room was about 10' x 10' in size with two beds. There is no electricity, no running water, and no floor drain. The nurse has been there 10 years, but does not have any formal training. There is nothing beyond the basic medical equipment. The waiting room and recovery room are in the same place and shared with everyone else who is at the clinic with other sicknesses. The clinic is only accessible for ambulances via very rough roads (when the roads are not flooded during the rainy season) and is about a two-hour drive from the capital of Kigali. One child dies during childbirth for every four to six who live. This is unacceptable and something we intend to fix."

Does he see an actuarial tie-in to being involved in a charitable non-profit? Fredlund says, "Actuaries are, by their nature, those who love learning and solving problems. While the issue of global poverty is quite different than developing a variable annuity, at the core are learning and solving problems. Solving risk management problems involves seeing the issues from multiple perspectives: Statutory capital, IFRS earnings, tax income, economics, hedging, operations, legal, etc. This is the same sort of multi-lens problem solving needed for the most complex issues such as global poverty. Being able to solve complex problems as well as the ability to cast a clear vision, develop effective strategies, and communicate is critical in both lines of work.

"A more direct need for actuaries might lie in the funding of programs that will transform these communities. Consider micro-financing, where loans are given to residents to start a business: perhaps \$25 to open a woven basket

shop or \$100 to begin a mushroom farm. These are not gifts, but instead loans that are paid back and those funds are used for the next loans. The initial capital is typically funded by outside donations. There is an opportunity for larger capital investments for things such as solar panels. Actuaries have the skill set that can help solve both the issues facing these places, but also perhaps the funding challenges."

When asked if there is anything else he'd like to discuss, Fredlund states, "I have been to Rwanda twice (2009, 2011) and am travelling for the third time in the summer of 2013 with a

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new group of people. Seeing the impact over years helps people stay connected with their giving and understand the positive impact they are having. So many people write the check and never really understand the impact they are having; Our Response is unique in that we can bring back first-hand accounts of how that money is saving and changing lives.

"Many running events around the United States have partnered with Team World Vision to help raise awareness and money for clean water in Africa. I encourage everyone to get involved with one of these events and run for a purpose. If you want to be part of the Our Response movement, give me a shout. Although focusing on East Central Minnesota, we have involvement by people from Alaska to Maryland to India." **A**

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**SHARADA RAO** has been playing the saxophone for 25 years. What started in grade school band has grown to become a lifelong love and has included becoming a performer and a teacher.

When asked how she got started playing the saxophone, Rao states, "My school district had a great band program and both my sisters played instruments, so I wanted to play too. My older sister suggested the saxophone, my parents didn't like the cost, and those two things were very influential factors at the impressionable age of eight. As

soon as I played my first note, I knew I made a friend for life."

What does she like best about playing the saxophone? Rao says, "I like the sweet tone of the instrument, the feel of the keys pressing down, and the reactions I get from people who don't think I have the right look of a sax player. It appeals to both my competitive side and my artistic side."

When asked how she got started teaching the saxophone, Rao states, "My first student was an 8th grader when I was a senior in high school, recommended to me by her middle school band director. It was a joy to watch and hear her improve. Later I taught some elementary school kids while I was in college and I loved the one-on-one interaction with the kids. In some ways, sometimes they are the ones teaching me! Currently I teach lessons at Music & Arts once a week, which I began doing in 2004. I'm glad I was able to

keep music in my life during those stressful actuarial exam-taking years.”

“I have a few projects in the works,” says Rao, who has recently returned to her original love: performance. “Right now I’m working on a demo CD which will contain four pieces for alto sax and piano, one piece on soprano sax (also with piano) and a tenor sax piece. As a classically trained saxophone player, jazz is out of my comfort zone, but I am including a jazz piece in there.

“Another is a multimedia storytelling project by author Reshmi Hebbar, called Sweet Om America. Part of it is ready now at [www.sweetomamerica.com](http://www.sweetomamerica.com).

“The majority of my performances involve musical theatre. In the past year I have performed in Avenue Q, Minnie the Moocher, Romeo and Juliet, and Guys and Dolls. My next performance will be in the pit orchestra for a musical called “Ragtime” at Kensington Arts Theatre (<http://www.katonline.org/>). The show opens on May 3 and closes on May 25.”

When asked what she likes best and least about performing, Rao states, “Best: Applause and appreciation. There’s so much hard work and behind the scenes dedication that goes into a theatre production. When we have a good performance and the audience had a great time, it’s such a great feeling. On those nights, it takes me hours to unwind and get to sleep after the show.

“Least: Performing for empty chairs. It’s heartbreaking when your loved ones can’t make it or worse, don’t see the point in attending these performances. It’s not just about ticket sales, it’s about sharing an art form with the world.”

What has been her most memorable performance to date? Rao says, “My most memorable performance was my senior recital at Peabody Conservatory (part of The Johns Hopkins University). The Senior Recital is the stressful culmination of four years of intense musical training, and is required of all music majors. A bad recital means no bachelor’s degree. Imagine four years of college down the drain in two hours if the performance is not up to the school’s high standards. Thankfully, I did well under the pressure.

“My recital took place on Nov. 11, 2000. I used an international theme in selecting my pieces. My accompanist and my duet partner were phenomenal contributors, and my teacher was proud of me. Afterward, I joined my audience for a reception with catered Indian food. I just hope that’s not the real reason they came.”

When asked if she sees an actuarial tie-in to playing saxophone, Rao states, “Yes, in a number of ways:

1. Similar to studying for an exam, you have to push yourself to practice every day even though you’d rather be doing something else.
2. Practicing is a solo activity, just like studying. Sometimes the isolation gets intense, but the end result makes it all worthwhile.
3. Time management is crucial. While preparing for a performance, you need to pace yourself so that you don’t peak



Sharada Rao—with her tenor and soprano saxes.

too early or perform without enough preparation. The same could be said for studying for exams.

4. The expression “The show must go on” applies to both fields. I often tell my students that if you make a mistake in a performance, the professional thing to do is to keep playing. If you fail an exam, you can’t dwell on it, you have to get back to work.

And of course, the biggest tie-in of all: I hope to see my past and present co-workers in the audience.” **A**

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**NATHAN WORRELL** has been refereeing high school basketball games in the Minneapolis metropolitan area for the past five years. As a former collegiate basketball player, he sees this as his opportunity to stay close to the game he loves.

When asked how he got started with refereeing, Worrell says, “My college coach introduced me to an official. I tried it out and instantly loved it. I’ve always had basketball as part of my life and after college I wanted a break from playing and didn’t have the time to commit to coaching. By being a ref, I get to stay close to the game and watch up-and-coming talented local athletes. Also, officiating is a great challenge and a whole new way to understand and view the game.”

Did he have to go through special training to become a ref? Worrell answers this way, “In Minnesota, for the high school level, refs have to: 1) pass a rules exam with a score of at least 80 percent (thanks to actuarial training, I’ve developed some great exam taking skills); 2) go through concussion awareness training; and 3) participate in one officiating clinic every three years.

When asked what he finds most rewarding about being a ref, Worrell states, “For me the most rewarding parts are the moments when the sport is at its best. There’s nothing like being part of a competitive game that comes down to the wire and each emotional basket has fans cringing or cheering. I love seeing kids come together and work as a team to achieve a victory.”

What does he find to be the most difficult part of refereeing? “Refs definitely need a thick skin because parents and coaches are very good at telling you when you screw up, or at least when they think you did,” Worrell states. “That doesn’t bother me too

much because as a former collegiate athlete, I’m used to a little spectator harassment. That said, mistakes do happen. For me the hardest part of being a ref is being able to recover from a missed call. The game moves so fast, that if I’m still thinking about what happened a few plays ago, I’m going to miss what is happening right now. I have learned to be in the moment and then, after the game is over, to go back and review what happened for future games.”

When asked if he has any memorable moments he’d like to share, Worrell says, “A highlight for me is after the season is over, I get to volunteer for the Special Olympics. The games can be just as competitive as anything I see during the high school season, but there are also moments that I’d never see in a high school game. For example, there was the young man who celebrated anytime anyone made a basket, on his team or the opponent. It’s just a great atmosphere in general and a blast to work each year.”

Does he see an actuarial tie-in to being a referee? Worrell states, “I think there are many tie-ins: the ability to communicate, the intellectual challenge, the importance of integrity, the fact that both require specialized knowledge and the responsibility that comes with that knowledge (aka professionalism). Yet, two commonalities really jump out at me:

1. Judgment—Refs need to know the rules. Actuaries need to know the regulations and applicable standards of practice. But the challenge of both basketball and actuarial work is that things are more often gray than black and white,



**Nathan Worrell**—Restarting the game.

and my judgments matter. The ability to make a justifiable judgment is a skill that benefits both worlds.

2. Continuing Education/Professional Development—An official I respect basically said, ‘If you’re not getting better, you’re getting worse.’ In other words, there’s no such thing as maintaining a status quo. In officiating, I review my game films, study rule books, and attend training camps. As an actuary, I’m constantly learning and challenging myself to grow in new ways.” **A**

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