

# 2014

YEAR IN REVIEW

SOCIETY OF ACTUARIES

# CONTENTS

- LETTER FROM THE PRESIDENT** page 2  
Mark Freedman, FSA, MAAA, SOA president 2013–2014, shares insight on the Society’s key activities of 2014.
- EDUCATION** page 4  
From the classroom to examinations to professional development, the SOA continues to promote educational excellence.
- RESEARCH** page 8  
Research commissioned and reported by the SOA supports decision-makers in business and public policy.
- MEMBER & CANDIDATE INITIATIVES** page 12  
The SOA continues existing programs and begins initiatives to help members and candidates derive the greatest benefit from their affiliation.
- FINANCE** page 21  
SOA financials for 2014.
- GOVERNANCE** page 22  
SOA Board of Directors, staff executive team and 2014–2015 President.

The Society of Actuaries (SOA) is the largest professional organization dedicated to serving 25,000 actuarial members and the public in the United States, Canada and worldwide. The SOA’s vision is for actuaries to be the leading professionals in the measurement and management of risk.



## PRESIDENT'S LETTER



Mark Freedman, FSA, MAAA  
President 2013–2014, Society of Actuaries

## SERVICE GROWTH LEADERSHIP

CLICK PLAY BUTTON TO VIEW

SOA President Mark Freedman delivers his message about how the SOA and actuaries made news this year and highlights accomplishments from 2014.

The Society of Actuaries (SOA), as a research and educational organization, had many great achievements in 2014, thanks to our volunteers and staff. The SOA continued its commitment to upholding the standards of the profession and making decisions that benefit members, candidates, employers, the profession and society at large. As a result, our efforts in 2014 focused on the development

of meaningful research to inform public policy, the increasing globalization of the actuarial profession and the completion of the General Insurance track.

During my year as president, I had the pleasure of stewarding news-making achievements in research. You may have read about SOA research findings in *The New York Times*, *The Wall Street Journal*, *Pensions and Investments*, and other business publications.

Some of these news-making efforts involved the SOA's initiative to conduct research with the intent of informing public policy development and public understanding.

One such project involved public pension plans. According to some estimates using the plans' own financial reporting, the total amount of unfunded public pension plan liabilities in the United States amounts to nearly \$1 trillion. Accordingly, the SOA commissioned an independent, multidisciplinary Blue Ribbon Panel on Public Pension Plan Funding. The panel's recommendations provide a guide for trustees, legislators and plan advisers to improve the financial health of public pension plans. The panel's findings resulted in the discourse we desired, including a meeting by the panel's chair with the U.S. Treasury Department.

The SOA also released updated mortality tables to help retirement plan sponsors estimate financial obligations of their plans more accurately. The updated tables, which show that longevity in the United States is increasing, established a new benchmark for mortality rates of private pension-plan participants in the United States. As the trusted resource for actuarial research, the SOA and its members continue to serve as leading technical experts and business professionals.

To meet the growing demand to measure and manage risk on a global scale, I had the pleasure of traveling around the world in 2014 to meet with our members, candidates, employers and other actuarial organizations. Our international strategy recognizes the economic growth impacting the insurance industry and the resulting increase in demand for actuarial services, particularly in Asia. Recognizing this growth means bringing services to our members and candidates in other countries. For the fourth straight year, we held the SOA Asia Pacific Symposium in Macau. We also co-sponsored the Joint Regional Seminars in Asia with the Institute of Actuaries of Australia, Institute and Faculty of Actuaries from the United Kingdom, and local actuarial bodies throughout Asia. As

part of these trips, I met with members and employers in China to obtain feedback on issues to inform the developing SOA strategy for their country.

As many of you likely know, the SOA developed a General Insurance (sometimes known as property-casualty insurance or non-life insurance) fellowship track. In 2014 the SOA realized several significant milestones. We published our general insurance textbooks and other exam material, and now all of the General Insurance exams are available to candidates. As part of the SOA's dedication to career-long learning programs, we held our first General Insurance continuing-education event in Singapore, and plan more General Insurance professional development for our major meetings in 2015.

The SOA, actuaries and the profession have provided a home for me, especially during this past year. It has been an honor to serve as president of this great organization as it continues to advance actuarial knowledge and benefit society. To all the people I have met, from local and international meetings, and to all the members and candidates, I express my appreciation for all you do to advance the work of our great profession. I wish you all the best in 2015!

## EDUCATION

# GROWING EXPERTS, BUSINESS PROFESSIONALS AND LEADERS

## GENERAL INSURANCE—EXAM SUCCESS AND UPDATED MATERIALS

Since launching the General Insurance track in 2013, the Society of Actuaries (SOA) has been working to fully implement a complete educational program that will ensure actuaries are prepared to make a positive impact on organizations around the globe. One way the SOA accomplished this in 2014 was to complete at least two administrations of each examination.

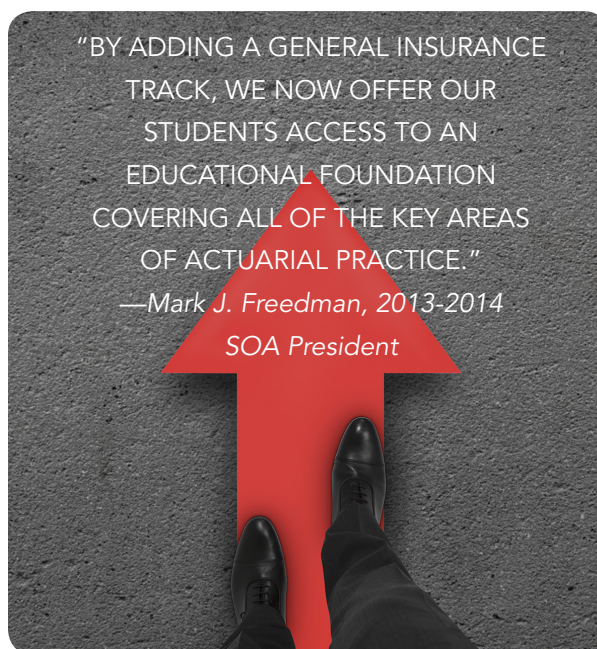
In 2014, the SOA administered four exams as part of the General Insurance track: Introduction to General Insurance, Introduction to Ratemaking and Reserving, Financial and Regulatory Environment, and Advanced Topics. All exams were successfully administered and completed on schedule in 2014.

Additionally, materials that cover key test subjects were reviewed in 2014. The e-book *General Insurance Financial Reporting Topics* was updated to ensure all regulatory references are current, in addition to receiving three new chapters. In 2015 the Applications of Statistical Techniques module will be edited and updated, with new source material and additional topics being considered.

### 4 EXAMS ADMINISTERED

- Introduction to General Insurance*
- Introduction to Ratemaking and Reserving*
- Financial and Regulatory Environment*
- Advanced Topics*

"BY ADDING A GENERAL INSURANCE TRACK, WE NOW OFFER OUR STUDENTS ACCESS TO AN EDUCATIONAL FOUNDATION COVERING ALL OF THE KEY AREAS OF ACTUARIAL PRACTICE."  
—Mark J. Freedman, 2013-2014  
SOA President





General Insurance Seminar —  
Practice and Trends,  
in Singapore

RATED **3.38** ON A  
FOUR-POINT SCALE

### PROFESSIONAL DEVELOPMENT INITIATIVES

Professional development offerings related to the General Insurance track included sessions at the SOA Asia-Pacific Symposium in Macau, the Annual Meeting in Orlando and a seminar in Singapore. Session topics related to the General Insurance track included usage-based insurance, fraud detection and an overview of the Applications of Statistical Techniques module:

■ **USAGE BASED INSURANCE**—The Changing World of Auto Insurance and Detecting Fraudulent Claims in General Insurance, were each part of the 2014 Annual Meeting in Orlando, Florida.

■ **GENERAL INSURANCE SEMINAR**—Practice and Trends, in Singapore. This new offering included exploration and discussion of best practices and recent trends related to General Insurance topics in the Asia-Pacific region. The seminar received an overall evaluation rating of 3.38 on a four-point scale. In general, respondents indicated that the seminar was relevant to their current and anticipated job responsibilities, that content was up-to-date and that speakers were knowledgeable and presented effectively. All indicated they are likely or very likely to attend seminars on similar topics in the future.

## EDUCATION

# MODELS OF LIFE CONTINGENCY (MLC) EXAM RESTRUCTURING

The SOA continually seeks ways to enhance the rigor of its educational offerings. To enable testing life contingencies at a higher cognitive level and to better discriminate among candidates, a significantly restructured MLC Examination went into effect in April 2014.

The new exam model includes written-answer questions, which make up about 60 percent of the exam points, and the exam time was extended to four hours to allow for more deliberative answers.

The multiple-choice exam serves as a screening exam; candidates who do not achieve a minimum score (which was 12 correct out of 20 for the two 2014 administrations, but may differ in the future) on this part do not have their written-answer portion graded. This decision helps to mitigate the challenges of grading growing numbers of

exams (more than 7,000 in 2013), and its efficacy was tested and confirmed after the spring test.

The SOA provided detailed commentary on this and other outcomes of the exam in August.

With a nod to those who had a hand in its creation, the restructured exam is good news for employers, as passing candidates demonstrate mastery of the material at a higher cognitive level. For well-prepared candidates, it offers:

- More time and better ways to demonstrate knowledge of the syllabus.
- Partial credit for demonstrating knowledge.

MORE THAN **7,000**  
CANDIDATES TOOK  
THE MLC EXAMINATION  
IN 2013.

## PROFESSIONAL DEVELOPMENT

### PROFESSIONALISM READY-TO-GO KIT

The Professional Development Committee (PDC) expanded the reach of its interactive professionalism offerings to a broader base of the membership in 2014 with the May launch of the new [Professionalism Ready-to-Go Kit](#). This training kit

allows employers and actuarial clubs to facilitate a case-based professionalism education workshop for their respective employees and members using their own facilitator and without the need to travel to a conference or a location outside of the office. It is suitable for actuarial professionals



at any level looking to fulfill their Continuing Professional Development (CPD) requirement. Many of the companies who have purchased the kit have used it in conjunction with another planned on-site meeting to help economize the costs of bringing participants together.

The workshop contains a facilitator guide, a presenter guide, a slide deck and participant guide. It uses real-life scenarios, and its interactive format differs from a webcast in that it promotes small-group discussion among participants (ideally, numbering 20 to 30 people). In addition, the SOA has identified volunteers for companies that do not have an in-house facilitator, and the licensing agreement allows some flexibility of use.

### ADVANCED BUSINESS ANALYTICS

With the exponential growth of business analytics in the insurance industry and beyond, quantitatively skilled professionals have unprecedented opportunities to bring scientific rigor to areas of

strategic importance within their organizations. For actuaries in particular, the business analytics revolution offers opportunities to ground traditional actuarial work in rigorous statistical methodology and enable entry into new domains. In 2014, the SOA met increased demand for instruction in this area with three offerings of its two-and-one-half-day interactive Advanced Business Analytics seminar. Two of the three events sold out.

The seminars imparted statistical and machine-learning techniques that are broadly relevant in actuarial work, blending theory and practice with theoretical discussion that emphasized concepts and intuition rather than mathematical formalism. Events were held in Boston, March 19–21; Hong Kong, July 29–31; and Chicago, Nov. 4–6. Each was limited to 35 registrants and was led by James Guszczka, national predictive analytics lead of Deloitte Consulting’s Actuarial, Risk and Advanced Analytics practice. Two additional offerings are planned for 2015.

## ANNUAL MEETING ATTENDANCE

*The 2014 Annual meeting theme was “Together We Progress.” From 2010–2014, annual meeting attendance has steadily progressed.*







## RESEARCH

# EMPOWERING ACTUARIES BEGINS WITH IMPACTFUL RESEARCH

Innovative research has always been important to the SOA. In 2014, the SOA completed many new impactful research efforts to benefit SOA members and to help inform public policymakers and the

public on complex issues. Some of these projects, which covered a wide range of topics from health and enterprise risk management to retirement risks and pensions, included research reports,



CLICK TO GO  
TO REPORT



MARK FREEDMAN, SOA'S PRESIDENT, SAID, "A FAST-MOVING WORLD REQUIRES THE SOA TO MEET EMERGING ISSUES IN THE TIMELY AND FOCUSED MANNER OUR STAKEHOLDERS EXPECT. OUR LONG-TERM RESEARCH PARTNERSHIPS EMBODY THESE VIRTUES." READ MORE ABOUT OUR [RESEARCH PARTNERSHIPS](#).

## RESEARCH

research partnerships, experience studies and in-house research.

### MAKING AN IMPACT WITH RESEARCH REPORTS

In order to foster dialogue about pension plans with the public, regulators and policymakers, the SOA commissioned the [Blue Ribbon Panel on Public Pension Funding](#). This panel assessed the current state of pension plan funding and made recommendations to improve the financial strength of public pension plans going forward. One recommendation made by the panel, which consisted of members representing a variety of disciplines and interest groups, was that a standardized contribution be calculated and disclosed in actuarial reports to provide a benchmark that plans can use to measure the aggregate level of funding risk.

Research from the SOA's Committee on Post-Retirement Needs and Risks reached millions of people in 2014 through media coverage of retirement risks. The committee released its ["Experiencing Change in Retirement"](#) report, which looks at perceptions and concerns for the phases of retirement. The report found that individuals often report feeling pushed into voluntary retirement. The committee also developed a [report on the impact of retirement risk on women](#), which was released jointly with the Women's Institute for a Secure Retirement (WISER). The joint report serves as a call to action to help women of the baby boom generation prepare for challenges ahead.

The SOA released [several reports on the topic of risk management](#) in 2014, including research on emerging risks, enterprise risk, regulatory risk and interest rate risk.

### IN-HOUSE RESEARCH ADDRESSES NEW LEGISLATION

The SOA completed important in-house research projects. In its ["Utilization of MAP-21 Pension Funding Stabilization in 2012"](#) fact sheet, the SOA analyzed the effects of provisions from the Moving Ahead for Progress in the 21st Century Act (MAP-21). The SOA report, ["Stretching the Corridor: The Effects of Extended Rate Stabilization on Defined Benefit Plan Funding Requirements,"](#) similarly examined the effect of legal provisions, this time analyzing the Highway and Transportation Funding Act of 2014 (HATFA-14).

### THE SOA PARTNERS WITH OTHER ORGANIZATIONS ON NEW RESEARCH PROJECTS

Continuing its goal of providing impactful research for actuaries and the public in 2014, the SOA partnered with:

- The Canadian Institute of Actuaries (CIA) to pursue Canadian pension research.
- The Health Care Cost Institute to access its data and produce new research studies.
- The Kansas Insurance Department for access to its healthcare cost data, which will help develop research analysis on the Affordable Care Act as well as set the stage for future research projects.
- MIB Solutions to provide members of the SOA, MIB and the life insurance industry at large with more timely, relevant and responsive life insurance experience studies, as well as other areas of actuarial research. Data from mandatory life experience reporting sources will be used to expand the depth and breadth of actuarial analysis in the SOA's experience studies.

## RESEARCH

### THE LIVING TO 100 SYMPOSIUM GATHERS PROFESSIONALS TO DISCUSS PRESSING AGING TOPICS

2014 saw the SOA host the triennial Living to 100 Symposium as well as publish a [monograph of the symposium presentations](#). The symposium gathered actuaries, demographers, physicians, academics, gerontologists, economists, financial planners, researchers and other professionals from across the globe to discuss the latest ideas, initiatives and research on aging and increased longevity. Symposium presenters and attendees discussed topics such as medical advances (including organ regeneration), social insurance programs, the impact of living longer on retirement and health infrastructures, and guaranteed lifetime income.

### EXPERIENCE STUDIES COVER MORTALITY TABLES, MORTALITY IMPROVEMENT SCALES AND OTHER TOPICS

The SOA has long been the primary source for mortality and mortality improvement studies on U.S. voluntarily established, private-sector, defined-benefit plans, and 2014 was no different. Last year, the SOA released the final reports of the [RP-2014 Mortality Tables](#) and the [Mortality Improvement Scale MP-2014](#), developed by the SOA's Retirement Plans Experience Committee (RPEC). The SOA approached this project with great rigor due to the importance of these mortality tables and the mortality improvement scale. The SOA and RPEC conducted in-depth reviews of the comments and exposure process for the final reports before they received approval. The SOA also testified before the Select Revenue Measures



Subcommittee of the House Ways and Means Committee about these reports, discussing the evolution of mortality tables through present times.

In addition to releasing these mortality reports, the SOA developed experience studies that covered individual annuities and several individual life projects. The SOA also created the Regulatory Research Advisory Council in 2014, which aims to set a new precedent for how the SOA plans for experience studies and how the collected information can be provided to regulators to inform them of major issues and challenges.

## RESEARCH

THE SOA HAS LONG BEEN THE PRIMARY SOURCE FOR MORTALITY AND MORTALITY IMPROVEMENT STUDIES ON U.S. VOLUNTARILY ESTABLISHED, PRIVATE-SECTOR, DEFINED-BENEFIT PLANS.

“THE UPDATED TABLES AND MORTALITY IMPROVEMENT SCALE REFLECT THAT PRIVATE PENSION-PLAN PARTICIPANTS ARE, IN FACT, LIVING LONGER. THE PURPOSE OF THE NEW REPORTS IS TO PROVIDE RELIABLE DATA THAT ACTUARIES CAN USE TO ASSIST PLAN SPONSORS AND POLICYMAKERS IN ASSESSING THE FINANCIAL IMPLICATIONS OF LONGER LIVES.”

—Dale Hall, managing director of research  
for the SOA



MEMBER & CANDIDATE INITIATIVES

# BUILDING STRONG ACTUARIAL COMMUNITIES

**The Membership Engagement Task Force was established to consider possible member engagement models and approaches, and recommend any changes to strengthen member engagement.**

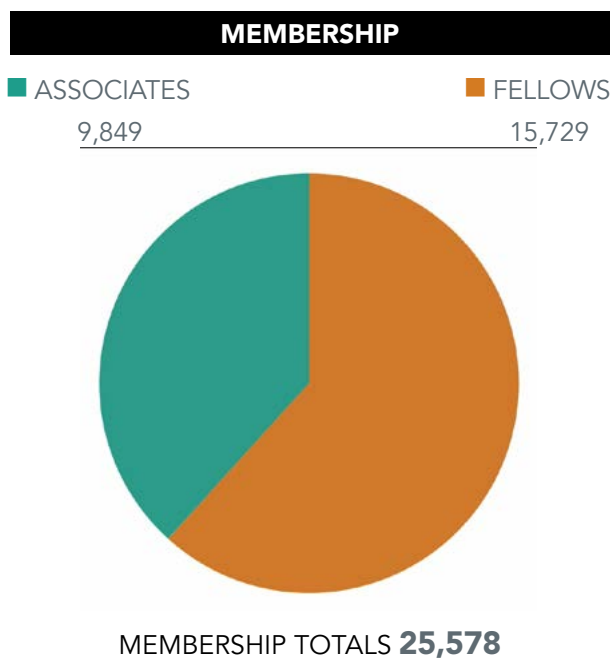
Established in May 2014, the Membership Engagement Task Force was established to consider how the SOA can better engage with its members, particularly the younger and international members. Historically, section membership has been one of the primary ways the SOA has engaged with members, but recent trends have shown that fewer younger members are joining sections.

The task force investigation looked both within and outside of the SOA to get a fuller picture of what members want and need, and to discover how similar membership organizations have approached engagement. In addition to reviewing results from the member and candidate survey, the task force conducted its own member focus groups in Boston, Chicago and Toronto. These focus groups were further organized by members' self-reported level of involvement—low, medium or high—with the SOA.

A critical factor of the Membership Engagement initiative is to recognize that not all members want the same things—at least not at the same times—and therefore the SOA must engage members where they are. The task force recommendations

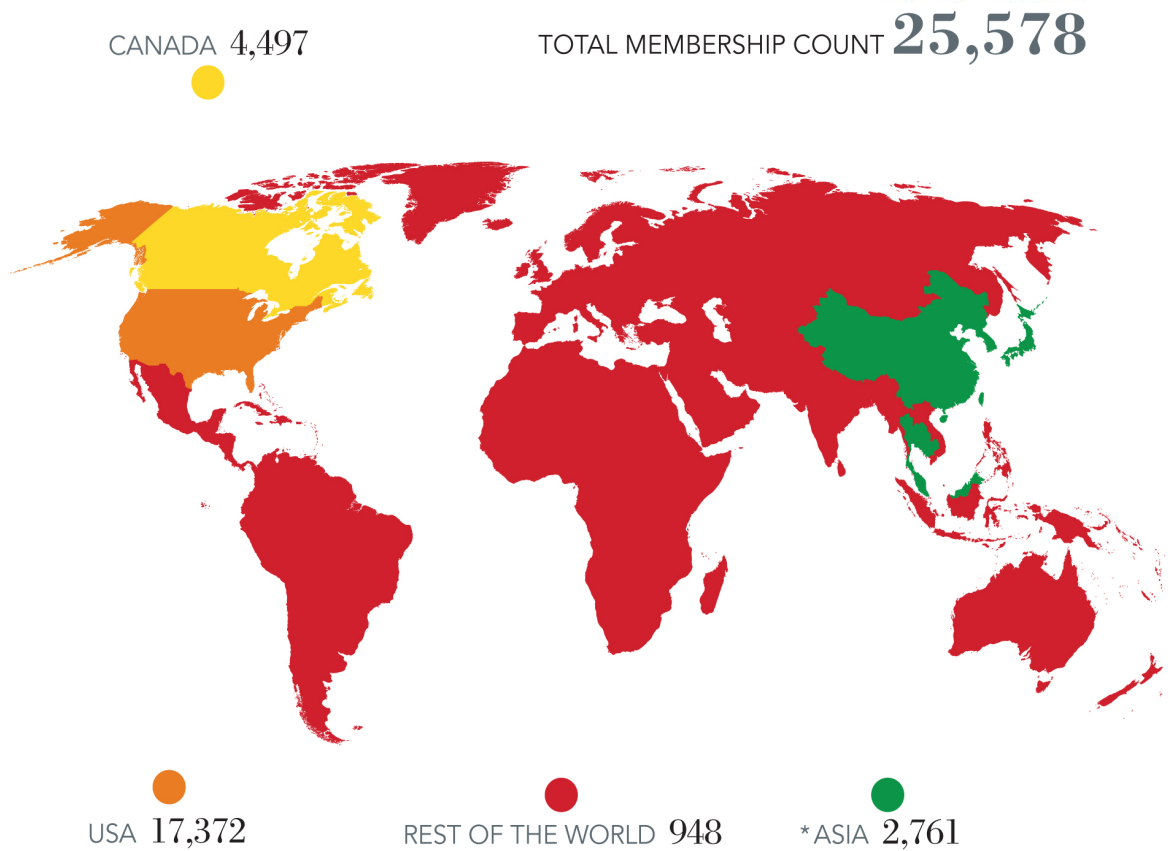
focus on the following areas of emphasis for further exploration and implementation:

**BROADENING OPPORTUNITIES FOR MEMBERS TO CONNECT WITH THE SOA**—As mentioned above, one aspect of member engagement has traditionally been through sections. Other dimensions of interaction need to improve, including varying the types and time commitments for volunteer activities; greater focus on international, regional and local activities; and organizing certain communications and activities around the members' experience level.



## MEMBER &amp; CANDIDATE INITIATIVES

## MEMBERS BY REGION



\*China, Hong Kong, Japan, Korea, Malaysia, Singapore, Taiwan and Thailand

#### CUSTOMIZING THE MEMBER EXPERIENCE—

Allow members to create a more personalized experience, particularly with some of the more popular tools, like the member directory.

**CREATING DIFFERENT KINDS OF MEMBER EXPERIENCES**—These fall into a few categories, including:

- Enhancing the online experience by making communications interactive (use of quizzes, contests, etc.);
- Recognizing member milestones and creating a membership engagement index with public and private recognition of SOA involvement;
- Building bridges to local actuarial clubs to create more face-to-face experiences;
- Refining the volunteer experience by developing a database of volunteer opportunities and identifying less time-intensive, “micro-volunteering” assignments; and
- Creating smoother experiences for members at membership milestones (ASA/FSA) and offering more clarity regarding the benefits of membership throughout the member life cycle.

## MEMBER &amp; CANDIDATE INITIATIVES

# CULTIVATING OPPORTUNITIES FOR ACTUARIES

**The SOA charges team to promote nontraditional career paths and prepare members for these alternative careers.**

As part of its goal to expand opportunities for its members using the actuarial skill set in nontraditional roles, the SOA Board of Directors established the Cultivate Opportunities Team (COT) to develop and implement strategies to identify, promote and prepare members for these alternative careers. During 2014, the COT focused on foundational and research work to create actionable plans that will be implemented in 2015 and subsequent years to support a strong and vibrant actuarial career path.

In the area of identifying different/new careers

for actuaries, a subteam of the COT deliberated on “neighboring” professions—ranging from genome/complexity science to urban planning and from predictive modeling/business analytics to financial services—to identify those that deserved further analysis. After applying criteria that included evaluation of the options’ salaries, competencies and educational requirements, the team identified predictive modeling and risk management for initial focus. During 2015, the team will identify actuaries who are working in these nontraditional roles and share their stories with members and employers, highlight the skills that are needed to be successful in the alternative paths, inform members of the opportunities



## MEMBER & CANDIDATE INITIATIVES

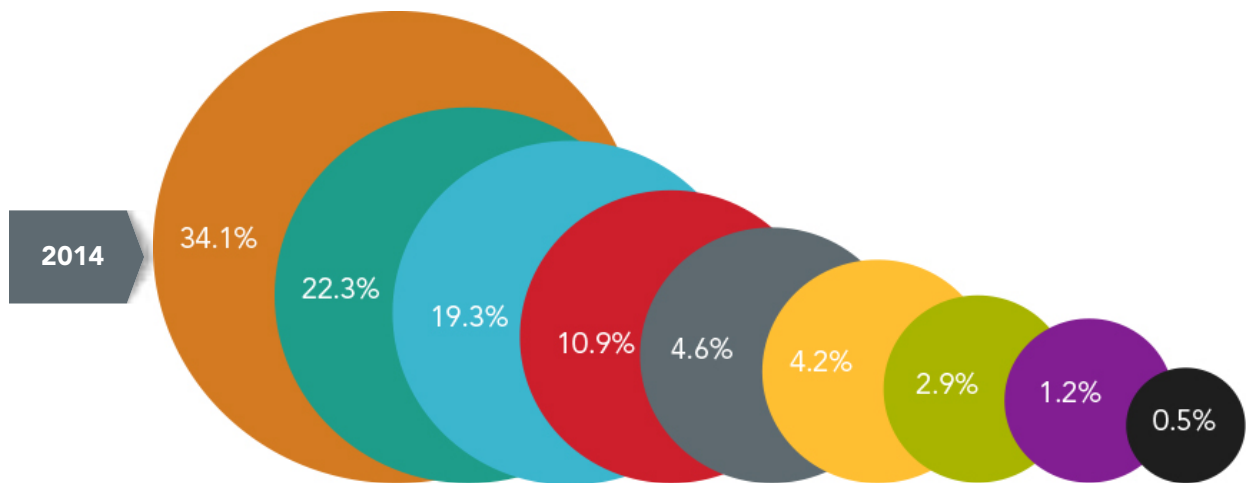
available to them and develop relationships with potential employers.

The COT contributed significantly to the collaborative Supply and Demand Study with the Canadian Institute of Actuaries (CIA) and the Casualty Actuarial Society (CAS). COT members provided university contacts for the supply side and employers for the demand side (notably, some employers from high-capital investment industries), as well as an inventory of regulatory and environmental changes that affect members of the actuarial profession.

Another COT subteam focused its efforts on

retaining “promising candidates” who had success on SOA exams within the last five years but discontinued their pursuit of SOA membership. Surveys of this group showed that 43 percent weren’t continuing because they hadn’t found employment in their field. The subteam gathered important data from this group, many of whom are working in nontraditional roles, and began development of a pilot sponsorship program to incentivize these candidates—and non-traditional employers—so the former can resume their pursuit of membership. During 2015, the subteam will launch the pilot sponsorship program.

### PRIMARY AREAS OF PRACTICE 2014



- LIFE
- RETIREMENT
- HEALTH
- NOT LISTED
- OTHER
- FINANCE
- RISK MANAGEMENT
- GENERAL INSURANCE
- INVESTMENT

Note: In 2013, the primary area of practice was revised to exclude Non-traditional, Retired, Academic and Regulatory and to include Investment, General Insurance and Other.



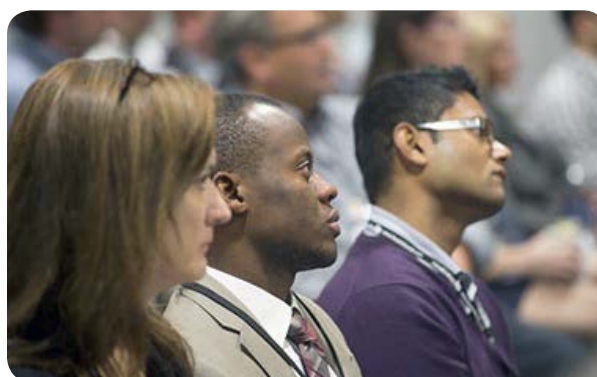
MEMBER & CANDIDATE INITIATIVES

# CANDIDATE ENGAGEMENT AND RETENTION

**Enhanced communication between the SOA and candidates was a major focus area in 2014.**

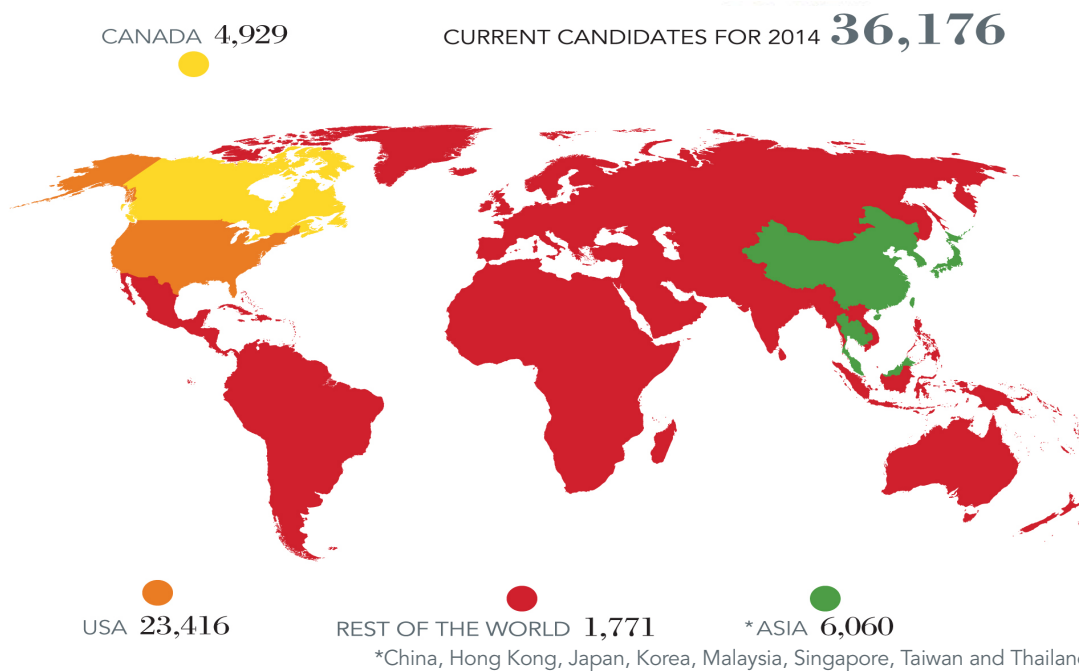
SOA staff and volunteers successfully pursued several operational initiatives:

- Enhancing relations with candidates through the formation of a Candidate Connect Advisory Group. The group, made up of pre-ASAs, ASAs and recent FSAs, as well as academic advisors, assists in the programming of Candidate Connect events, publications and communications.
- Broadening candidate communications channels through the *Candidate Connect* e-newsletter. As part of a strategy to deliver tailored content to



candidates, an editorial calendar was developed that includes offerings from the Candidate Connect Advisory Group and product launches

## CANDIDATES BY REGION



## MEMBER & CANDIDATE INITIATIVES

from SOA.org, exam updates, and information on SOA leadership and employers. In addition, increased numbers and frequency of posts on Facebook yielded a 31 percent increase in the number of followers, and a 380 percent increase in engagement.



- Hosting a variety of candidate events also prompted increased engagement and garnered positive feedback. Candidate Connect events included professional development sessions, keynote luncheons and meet-and-greets with SOA leadership, and were held in conjunction with the Life & Annuity Symposium, the Health Meeting, the Valuation Actuary Symposium and the Annual Meeting & Exhibit. Stand-alone Candidate Connect events were also held in Hartford, Connecticut, and Chicago.
- Development of enhanced exam tools including preliminary exam performance feedback, online practice exams and exam prep seminars.

## MEMBER &amp; CANDIDATE INITIATIVES

# SOA APPLICATIONS DEVELOPMENT & SUPPORT

**In 2014, SOA Information Technology Services continued to develop and promote tools to assist students, candidates and members.**

**SOA Explorer** is a map-based display of members, employers and universities. This unique online interface overlays information from the SOA's database onto Google Maps to help members and candidates explore networking and employment opportunities, find universities with actuarial programs and locate densities of actuarial activity.

Users can select search criteria to meet a variety of needs. For instance, a search on universities shows high densities in the Midwest and East Coast of the United States. Prospective job-seekers can search for companies that hire actuaries and view a profile of the business, its address and website. SOA Explorer also provides the name and contact information (email address, LinkedIn profile or Twitter handle, for example) for SOA members currently working at that employer (based on each member's public directory preferences and profile).

Actuarial candidates who are looking for schools offering actuarial programs, including SOA's Centers of Actuarial Excellence (CAE), can find them along with links to their actuarial programs. Or by using the density information, a member can determine if there are enough SOA members in a geographic area to see if forming an actuarial club, hosting a conference or giving a class is feasible.

**My SOA** is a member and candidate portal that streamlines their SOA interactions through one landing page. Users can access transcripts, committee information and professional development activities, as well as update their SOA profiles and get to SOA Explorer, all through My SOA. The portal quickly became one of the most frequently used pages at SOA.org in 2014.

In November and December of 2014, beta-testing was under way for a new mobile app scheduled to be launched in 2015: The Continuing Professional Development (CPD) Tracker will help members track their professional development course credits. The CPD Tracker app will be optimized for smartphones, tablets and desktop computers.



CLICK ON SCREEN TO  
ACCESS SOA EXPLORER

## MEMBER &amp; CANDIDATE INITIATIVES

## SOA.ORG RELAUNCH

Over the past two years, the SOA and its volunteer members have been hard at work to reimagine, redesign and relaunch **SOA.org**. The focus was to create a new infrastructure that is easier to navigate, provide audience-specific content harnessing the wealth of information already available, and enhance the overall Web experience for members, candidates and students.

Throughout the relaunch process, the SOA listened to member and candidate feedback, and incorporated these insights for a more engaged experience. The “mega menu” helps organize the wealth of information available on SOA.org, making it easier to find information on the website. From a technical standpoint, the relaunched SOA.org site has a “responsive” design, which

means the website displays correctly on any device—desktop, tablet or mobile phone. Mobile compatibility for SOA.org is critical as more people use smartphones as a primary Internet platform.

In order to provide a customized experience, SOA.org has three distinct homepage personas: candidate, member and student—all accessible in the upper left of the new homepage. When a user chooses a persona, they get homepage content specifically targeted to their interests. Log in to the “My SOA” portal and the website will remember the persona, automatically updating the content on the homepage. For instance, members can access professional development, job opportunities and best practices from professional interest sections, SOA research and the latest member offerings from the SOA. Candidates have access to exam schedules and results, preparatory resources, job opportunities, candidate events and other candidate-specific information. Students can learn more about the actuarial profession, how to become a member, actuarial science programs at universities

and colleges, student events and other student-specific resources.

The relaunch was a big step in the larger plan to further optimize Web-based communications for the organization. Continual improvement and enhancements are planned for 2015, including the expansion of pages for geographical ranges of Asia, Canada and globally.

CONTINUAL IMPROVEMENT  
AND ENHANCEMENTS ARE  
PLANNED FOR 2015.



CLICK ON WEB SCREEN  
TO ACCESS SOA.ORG



MEMBER & CANDIDATE INITIATIVES

# 2014 OUTSTANDING VOLUNTEERS



*Eleven outstanding volunteers were recognized for their overwhelming contributions to the SOA and the profession in 2014.*

## VOLUNTEER AT THE SOA

**HOW DO YOU FIT IN?** Visit [SOA.org/volunteer](http://SOA.org/volunteer).

No matter how you choose to volunteer, there's something for everyone at the SOA. Volunteer today at [SOA.org/volunteer](http://SOA.org/volunteer) and watch a world of opportunity unfold.





## 2013–2014 FINANCIAL RESULTS

The SOA is a non-profit organization—a financial entity with revenues and costs that must be carefully managed to succeed in fulfilling its mission. In setting the annual budget, the overall goal is to provide resources for ongoing operations and strategic initiatives, while maintaining membership equity at acceptable levels.

The SOA has three principal revenue streams: member dues, examination fees and fees charged for professional development. Other sources of revenue include fees for experience studies and research, sponsorships, miscellaneous revenues and investment income.

The financial results, which exclude section activity, reflect an investment in the actuarial profession and strategic initiatives determined by member and candidate research. The SOA seeks to provide significant value to members as well as the resources the organization needs to achieve its core goals and objectives for years to come.

The accompanying chart shows a comparison of the actual 2013 results, the board-approved 2014 budget and the actual 2014 results.

Total revenues in 2013 and 2014 were \$48.5 million and \$49.6 million, respectively. The SOA 2014 financial results showed a management-basis increase in net assets of \$3.3 million.

Membership equity is measured against the following year's expenses, standing at 76 percent at the end of 2013. The current membership equity position of \$41.7 million is 81 percent of the

REVENUES	(in 1,000s)
2013 Actual	\$48,509
2014 Budget	\$50,521
2014 Actual	\$49,592

2014 REVENUE DETAILS	(in 1,000s)
Examinations	\$27,985
Dues	\$11,986
Professional Development	\$ 6,855
Other	\$ 2,766
Total	\$49,592

CHANGE IN NET ASSETS	(in 1,000s)
2013 Actual	\$ 5,197
2014 Budget	\$ 496
2014 Actual	\$ 3,299

MEMBERSHIP EQUITY	(in 1,000s)
2013 Actual	\$38,373
2014 Budget	\$38,869
2014 Actual	\$41,672

board-approved 2015 budget. The target range of membership equity established by the board is 50 to 100 percent.

Under the board's leadership, the strength of the SOA's financial position will move strategic ideas forward and enhance our focus on the future of the profession.

## GOVERNANCE

2013–2014  
BOARD OF DIRECTORS

Mark J. Freedman, FSA,  
MAAA

## PRESIDENT

Mark J. Freedman, FSA, MAAA

## PRESIDENT-ELECT

Errol Cramer, FSA, MAAA



Errol Cramer, FSA, MAAA

## VICE-PRESIDENTS

C. Ian Genno, FSA, CERA, FCIA  
Jennifer L. Gillespie, FSA, MAAA  
R. Thomas Herget, FSA, CERA, MAAA  
John O. Nigh, FSA, CERA, MAAA  
Valerie A. Paganelli, FSA, EA, MAAA  
Darryl G. Wagner, FSA, MAAA



C. Ian Genno, FSA, CERA,  
FCIA



Jennifer L. Gillespie, FSA,  
MAAA

## SECRETARY/TREASURER

Jennifer L. Gillespie, FSA, MAAA



R. Thomas Herget, FSA,  
CERA, MAAA

## PAST PRESIDENTS

Tonya B. Manning, FSA, EA, FCA, MAAA  
Bradley M. Smith, FSA, MAAA



John O. Nigh, FSA, CERA,  
MAAA



Valerie A. Paganelli, FSA,  
EA, MAAA



Darryl G. Wagner, FSA,  
MAAA



Tonya B. Manning, FSA, EA,  
FCA, MAAA



Bradley M. Smith, FSA,  
MAAA (Deceased)

GOVERNANCE

ELECTED BOARD MEMBERS



Joan C. Barrett, FSA, MAAA



Rowen B. Bell, FSA, MAAA



Sue Blanck, FSA, MAAA



Jeremy J. Brown, FSA, EA,  
MAAA



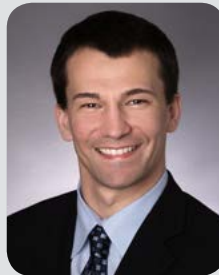
Larry J. Bruning, FSA, MAAA



Jim Doherty, FSA, FCIA



Ian G. Duncan, FSA, FCIA,  
FIA, MAAA



Andy Ferris, FSA, MAAA



R. Evan Inglis, FSA, FCA,  
MAAA



Jennifer L. McGinnis, FSA,  
CERA, MAAA



Kory J. Olsen, FSA, CERA,  
MAAA



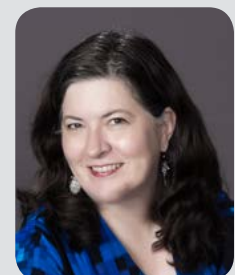
Susan E. Pantely, FSA,  
MAAA



Craig W. Reynolds, FSA,  
MAAA



John W. Robinson, FSA,  
FCA, MAAA



Susan R. Sames, FSA, MAAA



Sudha Shenoy, FSA, CERA,  
MAAA



James E. Trimble, FSA,  
CERA, MAAA



Genghui Wu, FSA, FCIA,  
MAAA



## GOVERNANCE

RETIRING BOARD  
OF DIRECTORS

Bradley M. Smith, FSA,  
MAAA (Deceased)

We would like to recognize the board members whose terms have expired and thank them for their dedication and tireless efforts in serving the needs of the membership and the actuarial profession.

## PAST PRESIDENT

Bradley M. Smith, FSA, MAAA

## VICE-PRESIDENTS

C. Ian Genno, FSA, CERA, FCIA

Jennifer L. Gillespie, FSA, MAAA

Valerie A. Paganelli, FSA, EA, MAAA



C. Ian Genno, FSA, CERA,  
FCIA

## ELECTED BOARD MEMBERS

Joan C. Barrett, FSA, MAAA

Sue Blanck, FSA, MAAA

Larry J. Bruning, FSA, MAAA



Jennifer L. Gillespie, FSA,  
MAAA



Valerie A. Paganelli, FSA,  
EA, MAAA



Joan C. Barrett, FSA, MAAA



Sue Blanck, FSA, MAAA



Larry J. Bruning, FSA, MAAA

GOVERNANCE

# 2014–2015 NEWLY ELECTED BOARD OF DIRECTORS

We would also like to welcome the 2014–2015 members elected to the board in September 2014.



Craig W. Reynolds, FSA, MAAA

### PRESIDENT-ELECT

Craig W. Reynolds, FSA, MAAA

### VICE-PRESIDENTS

Susan E. Pantely, FSA, MAAA

Susan R. Sames, FSA, MAAA

Jim Toole, FSA, CERA, MAAA



Susan E. Pantely, FSA, MAAA

### SECRETARY/TREASURER

Susan E. Pantely, FSA, MAAA



Susan R. Sames, FSA, MAAA

### ELECTED BOARD MEMBERS

August C. Chow, FSA, CERA, FCIA

Sara Wiese Goldberg, FSA, MAAA

Paula M. Hodges, FSA, MAAA

Olga T. Jacobs, FSA, MAAA

Ronald L. Klein, FSA, MAAA

David K. Sandberg, FSA, CERA, MAAA



Jim Toole, FSA, CERA, MAAA



August C. Chow, FSA, CERA, FCIA



Sara Wiese Goldberg, FSA, MAAA



Paula M. Hodges, FSA, MAAA



Olga T. Jacobs, FSA, MAAA



Ronald L. Klein, FSA, MAAA



David K. Sandberg, FSA, CERA, MAAA

GOVERNANCE

# 2014 STAFF EXECUTIVE TEAM



Gregory Heidrich

EXECUTIVE DIRECTOR

Gregory Heidrich



Stacy Lin

DEPUTY EXECUTIVE DIRECTOR & CHIEF FINANCIAL OFFICER

Stacy Lin



Sheree Baker

DIRECTOR OF GOVERNANCE

Sheree Baker



Michael Boot, FSA, MAAA

MANAGING DIRECTOR OF SECTIONS & PRACTICE ADVANCEMENT

Michael Boot, FSA, MAAA



Patrick Gould

MANAGING DIRECTOR OF MARKETING & COMMUNICATIONS

Patrick Gould



Ken Guthrie

MANAGING DIRECTOR OF EDUCATION

Ken Guthrie



Dale Hall, FSA, MAAA

MANAGING DIRECTOR OF RESEARCH

Dale Hall, FSA, MAAA



Margaret Ann Jordan

MANAGING DIRECTOR OF STRATEGY & INTERNATIONAL ACTIVITY

Margaret Ann Jordan



Carol Kozlowski

HUMAN RESOURCES DIRECTOR

Carol Kozlowski



Richard Veys

GENERAL COUNSEL

Richard Veys

## 2014–2015 PRESIDENT

## ERROL CRAMER

The SOA is proud to welcome Errol Cramer, FSA, MAAA, as the 2014–2015 president of the Society of Actuaries.

Cramer is chief actuary of the Allstate Financial Group. He currently practices in the life insurance industry and his expertise includes financial reporting, regulatory affairs, innovative products, product design, reinsurance and capital planning, as well as mergers and acquisitions (M&A). Cramer is originally from South Africa, where he began work as a pensions actuary before coming to the United States as a consulting actuary in the Chicago office of what is now Towers Watson. Cramer has 35 years of combined actuarial experience.

Cramer has a career-long involvement with volunteer leadership positions in the life insurance industry and actuarial profession, including past positions as an SOA board member, SOA VP, secretary & treasurer, chair of SOA Valuation Actuary Symposium, chair of the American Academy of Actuaries (AAA) Annuity Reserving Committee and chair of the AAA Life Financial Reporting Committee. He has been an active participant in industry efforts regarding principles-based reserving and global solvency standards, and was actively involved in original formation of U.S. Risk-Based Capital.



*Errol Cramer, FSA, MAAA  
President 2014–2015, Society of Actuaries*

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Errol Cramer addressed the attendees of the 2014 SOA Annual Meeting & Exhibit.

SOCIETY OF ACTUARIES

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