



SOCIETY OF ACTUARIES

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# Green ... But No Envy

By Matthew Clark

As I indicated in the prior issue, the annual meeting was around the corner. That meeting is an important meeting for the Society of Actuaries (SOA), as well as each of the section councils. The key activities include the transition of leadership, a reflection on the past year, and a look at the year ahead.

## TRANSITION OF LEADERSHIP

I took the opportunity to welcome the incoming and thank the outgoing members of the Financial Reporting Section Council in the last issue. I foreshadowed the passing of the green jacket. From the time I was honored with the opportunity to serve as the vice chair, I have dreaded the passing of the green jacket. Two fears were front and center: (1) just how dirty is this jacket and (2) will it fit?

It wasn't until Rob Frasca and I were at the podium that I realized that I had not tried on the jacket. What would I do if it didn't fit? Lucky for me it was just my size. This should relieve all of you considering a future as the chair of the section.

As for the cleanliness of the jacket, let's just say that my wife insisted that it go straight to the dry cleaner. Unfortunately, the jacket came back home with her. They could not assure the signatures would not be washed away. This is another tradition with the green jacket. The outgoing chair signs the inside of the jacket. The list of past chairs is humbling and impressive—several SOA presidents and many distinguished actuaries who continue to serve the profession. I could not risk the possibility of losing all of those signatures.

Finally, to call the jacket green is not doing it justice. I have not tested to see if it glows in the dark, but it is safe to say I don't have to worry about anyone else wearing the same jacket. While serving as your chair is an honor, nobody is envious of the jacket.

## REFLECTION ON THE PAST YEAR

For those of you who could not make the annual meeting, I would like to share some of the accomplishments of the past year.

Below is a list of research projects that have been completed or are in process:

- Stochastic Modeling Efficiency
- Actuarial Modeling Controls
- Credit Risk Modeling Techniques for Life Insurers
- IAA Monograph on Discount Rates
- Premium Persistency of Flexible Premium Products
- Comparative Failure Experience in the Insurance and Banking Industry
- Volatility of Fair Value Accounting
- Actuarial Applications of Behavioral Economics
- IFRS 4
- IAA Monograph on Risk Adjustment
- PBA Practitioner's Guide (new)

Completed and planned webcasts include:

- Model Efficiency
- Considerations for Year-End (2011)
- IFRS & FASB Convergence
- Phase II of the VM-20 Study
- Low Interest Rate Environment—Stat Issues
- Premium Persistency of UL Research
- IFRS—first webcast focused on an Asian audience
- Low Interest Rate Environment—GAAP/PD Issues
- Volatility of Fair Value Accounting
- Considerations for Year-End (2012)

As you can see, the council has been busy. You can find this material on the SOA website.

## LOOKING AHEAD

The council continues to identify opportunities to serve the membership. The research committee continues to invest in projects that will provide advancement opportunities for the actuarial profession and insurance industry.

A project that will take time, but is the most exciting for me, is the work on the replacement for the U.S. GAAP book. The new edition will focus on the evolving regulatory landscape. I have found the current book to be a great resource for me in my work, and I look forward to the new book being a natural complement. The authors have been arranged, and the production of the content will be underway.

A new form of communication to look forward to in 2013 is the introduction of podcasts. This is an endeavor started and still pursued by Rob Frasca. I am excited to leverage technology to distribute information. Look forward to communication from the SOA regarding the release of the podcasts and feel free to share your thoughts and ideas as this medium matures.

We are also spending time and effort to reach out to our membership outside of the United States. Specifically, time and resources are being spent to focus on our Canadian and Asian membership. It is important to keep the SOA and, more specifically, the section relevant for all of our members across the globe.

Finally, we are finding ways to leverage our efforts across section councils. The economic and industry challenges are areas of focus that are shared across the SOA sections. Identifying opportunities to leverage areas of common interest is exciting. I find that the expanded perspective brings an increase in the energy and collaboration, resulting in a better work product produced. ■



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