



SOCIETY OF ACTUARIES

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# The Actuary

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## NON-ROUTINE BUSINESS OF BOARD OF GOVERNORS AND EXECUTIVE COMMITTEE

July to October 1982

by Kenneth T. Clark, Secretary

1. The Board adopted the Report of the Task Force to Develop Guidelines for the Operation of the Committee on Complaints and Discipline. These guidelines specify procedures to be followed when a complaint is made, for disclosure of the outcome to the parties, and for reporting to the Board.

2. The Board considered a report (elsewhere in this issue) from the Committee on Elections on a questionnaire put to a 25% sample of Fellows about our election process, and asked that Committee: (i) to propose ways to have candidates for election better known to the Fellows; (ii) to recommend ways of ensuring year-to-year consistency in the election process; (iii) to examine other changes suggested by responders.

3. The Board authorized an antitrust review and audit of Society activities, aimed at giving reasonable assurance that our services to members and our incidental services to the insurance industry comply with antitrust law in the U.S.A. The review will be made by outside counsel.

4. The Board adopted recommendations of the Committee on Planning which include a context for strategic planning, and an annual planning cycle—also a Statement of Purpose (digested elsewhere on this page) to be printed in the 1983 Yearbook. The Board transferred responsibility for the Society's planning of its relationship to other actuarial bodies to the Committee on Planning from the Committee on Cooperation and Coordination which it discharged with thanks.

5. After discussing the implications of a proposed request to the NAIC that the FSA designation be recognized as the AAA designation now is, i.e., as qualification to perform actuarial duties in certifying life company annual statements, the Board referred this complex question, and the broader issue of protecting and enhancing the FSA designation, to the Committee On Planning.

6. The Board voted to expose to the members a proposed concise version of our present Guides and Opinions.

7. The Board authorized forming a Committee on Relations with Statistical Organizations, to maintain liaison with such bodies in the U.S.A. and Canada whose interests overlap ours.

8. The Board made provision for future membership discussion of proposed amendments to our Constitution before votes on them are taken.

9. The Board considered a recommendation from the Committee on Discipline for a public reprimand of a member pursuant to Article VII of the Society's Constitution. Acting in accordance with the Committee's recommendation the Board voted to reprimand Mr. C. David Williams, A.S.A. of Cincinnati for having represented himself as an Enrolled Actuary, when, in fact, he was not an Enrolled Actuary, and for having signed, on more than one occasion, as an enrolled actuary, certain Schedules B of Form 5500, a government form, and for having used an enrolled actuary number which he was not entitled to use. □

## INSTITUTE OF ACTUARIES AFFILIATE STATUS

Affiliate Memberships aren't new to the Institute of Actuaries, but they are rare. Only 16 such members are listed in its current Year Book; of these, however, 6 are in the United States. These actuaries have had "the same rights and privileges as Honorary Members".

Now, the Council of the Institute has introduced what some might call an alternate route to Affiliate Membership, one which may be of direct interest to some of our readers. Fellows of the Society of Actuaries—as well as of other named actuarial bodies elsewhere—may now become Affiliate Members either (i) by transferring, without entrance fee, from another class of Institute membership, or (ii) in reinstatement of a lapsed Institute membership, subject to entrance fee but free of assessment for subscription arrears.

This newsletter's Editor can answer some of the simpler questions about all this, but those wishing authoritative particulars should write to Staple Inn Hall, London.

E.J.M.

### STATEMENT OF PURPOSE

*Ed. Note: See Non-Routine Business report on this page. This is slightly abridged; full text will be in 1983 Yearbook.*

The Society is an educational, research and professional organization primarily for actuaries in Canada and the United States. Membership is conditioned on successful completion of rigorous education requirements, thereby providing assurance to the public that members are trained to perform at a high level of knowledge and competency. The Society encourages theoretical and practical research and supports the continuing professional development of its members.

Actuarial science is built on evaluation of financial, economic and other implications of future contingent events. The actuary is trained to analyze uncertainty, risk and probabilities. The actuary's domain includes financial security and other programs involving such contingencies as life, health, property and casualty, retirement, and other demographic as well as economic and investment contingencies.

The Society of Actuaries, oriented to contingencies other than property and casualty, has the following responsibilities:

1. To identify, educate and qualify persons with the interest and potential to become members.
2. To provide programs and facilities for continuing education and professional development of its members and for others interested in actuarial science.
3. To promote research in actuarial science and to publish the results.
4. To maintain and enforce a code of professional conduct for members.