

Strengthening Relationships Between Universities  
and The Actuarial Profession

Information

In early 1989, the Society of Actuaries appointed a Task Force on Strengthening Relationships Between Universities and the Actuarial Profession.

The charge to the Task Force was:

To explore the relationships between the actuarial profession and universities in the United States and Canada and to recommend how they can be strengthened to the benefit of both the actuarial profession and the universities.

At its June 1990 meeting, the Society of Actuaries Board of Governors considered the recommendations of the SOA Planning Committee, based on the initial recommendations of the Task Force. The objectives of the recommendations were: to foster two-way communication between the SOA and its academic members by encouraging them to participate more fully in SOA activities, to encourage academic contributions at SOA sponsored meetings, to encourage those involved in actuarial education to attain the ASA and FSA professional designations, and to provide some financial support for the development of education and research programs in actuarial science.

The Society of Actuaries Board of Governors has approved implementation of the following:

- o for a five year period, beginning in the 1990-1991 academic year:
  - waiver of SOA meeting and continuing education seminar fees for full-time academic SOA members;
  - reimbursement of Committee and Board expenses incurred by full-time academic SOA members;
  - reimbursement of travel expenses to all full-time academic SOA members for participation in SOA meeting programs as panelists, moderators, or in comparable roles;
  - one-time grants to educational institutions of \$5,000 at the time a full-time faculty member attains FSA status;
  - one-time grants to educational institutions of \$2,500 at the time a full-time faculty member attains ASA status
- o in the 1990-1991 academic year, creation of up to five annual \$10,000 renewable scholarships to PhD candidates with thesis topics in areas related to actuarial science.

The PhD study grants will be awarded on a competitive basis and will be renewable up to three times. Preference will be given to students who are (or are working towards becoming) members of a North American actuarial body. It is anticipated that the PhD grant program will be available beginning in 1991-92 academic year.

The Board also approved the following additional recommendations:

- o suggest to academic members that a separate academic section be formed within the Society of Actuaries (the Board believes the creation of a section should be a "bottom-up" decision based on the wishes of academic and other interested SOA members; such an effort by interested members is already underway);
- o ask the Continuing Education Policy Committee to examine developing continuing education courses and teaching sessions based on specialty areas of current academic members, and to consider using academic faculty when possible in continuing education programs;
- o ask the Program Committee to consider improved procedures for the recognition and discussion at SOA meetings of papers accepted for publication in the *Transactions*; and
- o ask the Education Policy Committee to examine the feasibility of creating a flexible examination administration system which would allow for administration of SOA examinations on dates more convenient to individual universities and colleges.

Warren Luckner, SOA Research Actuary, is serving as staff liaison for the implementation of these initiatives. Questions should be directed to Warren at 708-706-3572.

These efforts are just a beginning. Strengthening relationships between the Society of Actuaries and the academic community is an ongoing process. Other related recommendations are being considered by the SOA Board.

The Board of Governors of the Society of Actuaries believes it is essential that the actuarial profession have strong ties to its academic roots if the profession is to continue to develop new ideas and be relevant in the future.



# SOCIETY OF ACTUARIES

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WARREN R. LUCKNER, F.S.A.  
Research Actuary

DATE: OCTOBER 5, 1990

TO: ACADEMIC MEMBERS OF THE SOCIETY OF ACTUARIES AND OTHER  
INTERESTED INDIVIDUALS

CC: SOA BOARD, SOA COMMITTEE CHAIRS, SOA STAFF DEPARTMENT HEADS  
AND DIRECTORS

FROM: WARREN LUCKNER *WJ*

SUBJECT: IMPLEMENTATION GUIDELINES FOR THE SOA INITIATIVES TO  
STRENGTHEN RELATIONS WITH COLLEGES AND UNIVERSITIES

Attached for your information is a copy of the implementation guidelines for the new SOA initiatives to strengthen relations with colleges and universities.

The objectives of the initiatives are:

- ° to foster two-way communication between the SOA and its academic members by encouraging them to participate more fully in SOA activities;
- ° to encourage academic contributions at SOA sponsored meetings;
- ° to encourage those involved in actuarial education to attain the ASA and FSA professional designation; and
- ° to provide some financial support for the development of education and research programs in actuarial science.

The guidelines are intentionally brief and were designed to minimize the additional structure for decision-making and administration.

We look forward to you helping us meet the above objectives through participation in the opportunities presented by these initiatives.

If you have any questions, please contact me.

SOA Initiatives to Strengthen Relationships Between  
Universities and the Actuarial Profession

Implementation Guidelines  
Information

## 1. Definitions

For the initiatives approved in June 1990, three groups of people need to be defined: full-time academic members; full-time faculty members and Ph.D. candidates with thesis topics in areas related to actuarial science.

For ease of administration and to minimize the possibility of eliminating someone who satisfies the intent of the initiatives, the following operational definitions will be used:

- full-time academic member: those SOA members who have identified their employment category as "University or College", or who derive the majority of their professional income from teaching or research at a college or university

### Note:

1. This is intended to include individuals on sabbatical or reduced teaching loads prior to retirement
2. The SOA Executive Director has the authority to determine eligibility based on the intent of the initiative and individual circumstances

- full-time faculty: those employed by a college or university who are considered to be full-time faculty by their employer

Note: The SOA Executive Director has the authority to determine eligibility based on the intent of the initiative and individual circumstances

- Ph.D. grant candidates: individuals who have been admitted to Ph.D. candidacy by their institution and who have a thesis topic in actuarial science or a related area

## II. Guidelines for Specific Initiatives

Initiative (effective for a five-year period beginning September 1, 1990)

IA. Waiver of SOA meeting and continuing education seminar fees for full-time academic SOA members

### Guidelines

**Eligibility:** Full-time academic member, as defined above

**Qualified SOA Meetings:** Any of the regular Spring and Annual meetings sponsored by the SOA

- Note:**
1. The Fellowship Admissions Course is a qualified meeting
  2. The Actuarial Research Conference is not a qualified meeting

**Qualified Continuing Education Seminar:** Any Continuing Education Seminar, Symposium or comparable continuing education activity for which the SOA or an SOA Section is the primary financial sponsor

**Administration:** There is no limit on the number of full-time academic members who are allowed to attend the qualified SOA Meetings on a fee-waived basis

The Seminar Department will determine the number of seminar registrations to be available on a fee-waived basis, considering the financial arrangements for the seminar, any restrictions on number of participants, and content; in no case will the number of such registrations be less than 5% of the number of participants required for the seminar to break even financially

The Seminar Department will identify the qualified seminars in any promotional materials that include qualified seminars

Meetings and Seminars Departments will develop any necessary additional administrative procedures

**Limits:** No individual may have more than \$500 (U.S.) in waived fees per meeting or seminar

No individual may have more than \$1,500 (U.S.) total in waived fees per fiscal year

**Decision-making:** Use existing procedures for the development and implementation of meetings and seminars

Initiative (effective for a five-year period beginning September 1, 1990)

IB. Reimbursement of SOA Committee and Board expenses incurred by full-time academic SOA members

Guidelines

Eligibility: Full-time academic member, as defined above

Qualified Groups: SOA Board and Executive Committee and any other SOA Committee or Task Force

At the discretion of a Section Council, the Section Council and Section Committees

Reimbursable Expenses: Reasonable travel, lodging and food expenses associated with meeting attendance, consistent with SOA Reimbursement Policy guidelines; it is anticipated that most meetings will be scheduled so that attendance will not require overnight accommodations

Limits: No individual will be reimbursed more than \$2,500 (U.S.) for Committee, Task Force or Council meeting attendance per fiscal year (this limit does not apply to Board or Executive Committee attendance)

Note: This limit does not apply to Education and Examination Committee participation, which is under a separate set of guidelines

Financial: Costs allocated to Committee, Task Force or Council

The Finance Department will monitor costs for reporting and budgeting purposes

Administration: Use of expense reimbursement form

The Finance Department makes payment

Decision-making: Use existing procedures for reimbursement of expenses

Procedure: Eligible member contacts SOA Finance Department for reimbursement, unless there are already existing procedures for reimbursement (e.g., Education and Examination Committee)

Initiative (effective for a five-year period beginning September 1, 1990)

IC. Reimbursement of travel expenses to all full-time academic SOA members for participation in SOA meeting programs as panelists, moderators or in comparable roles

Guidelines

Eligibility: Full-time academic member, as defined above

Qualified meetings: Any of the regular Spring and Annual meetings sponsored by the SOA

Type of Participation: Panelist, moderator, teaching session faculty or comparable role, as determined by the chair of the SOA Program Committee

Participation as workshop session chair or co-chair, or as recorder, does not qualify

Reimbursable Expenses: Reasonable travel, lodging and food, consistent with SOA Reimbursement Policy guidelines; expenses associated with attendance at the entire meeting during which the participation takes place will be reimbursed

Limits: No individual will be reimbursed for more than one such meeting participation in a given fiscal year

Financial: The Finance Department will monitor costs for reporting and budgeting purposes

Administration: Use existing procedures for reimbursement of meeting speakers' expenses, modified to provide support for attendance at the entire meeting during which the participation takes place

Decision Making: Existing procedures for reimbursement of expenses, modified as indicated in "Administration"



Initiatives (effective for a five-year period beginning September 1, 1990)

- 2A. One-time grants to educational institutions of \$5,000 (U.S.) at the time a full-time faculty member attains FSA status
- 2B. One-time grants to educational institutions of \$2,500 (U.S.) at the time a full-time faculty member attains ASA status

Guidelines

**Institutional eligibility:** Full-time faculty member, as defined above, at the educational institution attains ASA or FSA status

**Use of grant:** At the discretion of the institution for the promotion and development of education and research programs in actuarial science

**Administration:** Use of grant application that includes information regarding employment, intended use of funds, and institutional officer to whom grant should be sent

Grant application, with guidelines for use of funds, distributed at time application for ASA or registration for FAC is received

Grant paid by Finance Department after approval by chairperson of SOA committee responsible for academic relations; include letter indicating intended use of funds; copy of letter to individual attaining designation

**Financial:** Costs of this initiative are allocated to the E&E budget on the basis that such grants would directly enhance the education of actuarial students

**Decision-making authority:** Chairperson of SOA Committee responsible for academic relations has authority to approve the grant application

### Initiative

3. Ph.D. grants (creation of up to five annual \$10,000 scholarships renewable at most three times)

### Guidelines

Eligibility: Ph.D. grant candidate, as defined above

Use of grant: At the discretion of the Ph.D. candidate for appropriate expenses related to the completion of the Ph.D.

Administration: Use of grant application that includes:

- information verifying Ph.D. candidacy
- description of thesis topic and research plan
- indication of any affiliation with any North American actuarial organization and any actuarial examinations passed
- identification of thesis committee
- statement regarding relevancy of topic to actuarial science
- transcripts of grades
- statement regarding commitment to an actuarial career
- list of references

Preference given to candidates who have an affiliation with a North American actuarial organization, and to candidates who are likely to pursue an actuarial career in North America

Use of grant renewal form to report on progress and apply for renewal of grant

Grant paid by Finance Department after approval by Ph.D. Grants Subcommittee of Research Policy Committee

Financial: SOA Board has approved budget of \$50,000 annually for the fiscal years 1990-91 through 1993-94

Funds not used in one fiscal year are available for these grants in the next fiscal year

Decision-making authority: Ph.D. Grants Subcommittee of Research Policy Committee has authority to approve the initial grant application, and to approve renewal of grant

## Initiative

### Additional Suggestions:

1. Creation of a Special Interest section
2. Use of academic faculty in continuing education programs
3. Recognition and discussion at SOA meetings of papers accepted for publication in TSA
4. Flexible Examination administration to better accommodate college and universities schedules

## Guidelines

Administration: After communication of these suggestions to the appropriate parties, the implementation of any changes will be determined using existing committees and procedures

