



SOCIETY OF ACTUARIES

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exposed to considerable liabilities.

The movement to bring education within the university has strengths. Some aspiring actuaries may need help to master difficult material. However, in my opinion, the examinations should be administered by the Society of Actuaries, and a university education should not be required to be an actuary. A great tradition of the actuarial profession is that anyone who wishes to sit for the examinations may do so, without regard to the ability to pay for a university education or to be accepted by a university. The actuarial profession remains one of the few disciplines in which a young man or woman may attain a responsible position without dealing with the bureaucracy and cost of universities.

Things may be different for actuaries now, with more competition and less security. But the profession has a solid foundation. It now must improve the breadth of its training and find new applications for its skills in finance, industry, government, education, and medicine.

Edward B. Schwenk just completed a year as a special graduate student in economics and sociology at Harvard. He previously worked at American Life Insurance Company in Wilmington, Delaware, and Colonial Penn Group in Philadelphia.

Correction

The address for Human Synergistics in the May article, "The Life Styles Inventory," was incorrect. The correct address is 39819 Plymouth Road, Plymouth, MI 48170-4290. We regret any inconvenience this error may have caused.

October Board meeting open to members

Interested Society members are welcome to attend the Board of Governors' meeting October 17 in New York. Minutes of Board meetings are available upon request. For more information on the meeting and the minutes, call the Society office, 708/706-3500.

E & E CORNER

Confused?

Some candidates have had questions about whether they may take courses from the expanded list of courses eligible for elective credit toward either the ASA or FSA designation. These flexible elective options were defined in the context of the new requirements for ASA (effective July 31, 1995, as described in President Walter Rugland's article in the April 1993 issue of *The Actuary*). They represent a real change in the nature of which courses are acceptable as elective credit toward the ASA or the FSA designation.

Following are some details to help lessen some of this confusion. For candidates who are not yet ASAs, the guidelines are simple. To satisfy the new requirements for ASA that encompass the four Core courses, candidates may attain the needed 45 elective credits through the SOA mathematical courses (as has been the case with the "old" requirements) or through the expanded options (basic practice areas, the research paper, CAS exams). Of course, the flexible elective options will be open to these same candidates after they attain the ASA designation.

The case may seem less clear for candidates who have already attained ASA status or who will do so under the old requirements. The rules and guidelines are changing; the flexible elective options could be considered to exist only in the context of the newly defined ASA requirements. We believe, however, that all candidates should benefit from the expanded options. Therefore, effective immediately, all candidates, whether they become ASAs by virtue of the old or new requirements will be able to apply credit for courses from the expanded options to acquire needed elective credit toward the FSA designation.

The end result of this policy is to give candidates greater flexibility in their elective options. In the existing system, some candidates will have

more mathematical courses to their credit when they become FSAs, while others will have a greater concentration of practice-related courses. All will have satisfied demanding specialty track requirements and will have a solid grounding.

If you have questions about this, please call Pat Holmberg, 708/706-3527, at the SOA office.

Congratulations to successful exam takers

May exams produced 525 new ASAs and 134 candidates who only need to complete the Fellowship Admissions Course to become FSAs. Our congratulations to them and to all the other passing candidates.

Intensive Seminars prove to be popular

The Course 152 Risk Theory Intensive Seminar was expanded from two to four sessions for August 1993, the second year for the program. The Applied Statistical Methods Intensive Seminar remained at six sessions, but the number of applicants increased from a year ago. The intensive seminar program received favorable reviews from nearly all candidates attending. Grading course projects and exams is under way. Candidates' grades will be mailed October 21, 1993.

Exam hotline heats up

The new interactive voice response system hotline for exam results logged 14,303 calls as of July 15, the day before Fellowship exam grades were mailed. The number of lines to the system was expanded from four to eight, resulting in fewer delays for candidates. At the height of activity, however, so many people were trying to get through that the trunk lines into the building housing the SOA office were jammed.

Course 162 cut

If you are a November exam candidate, please remember that Course 162, Construction of Actuarial Tables, has been eliminated. Course 160 now covers Survival Models

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What's new at the library

PASGs

In 1989, the Society of Actuaries developed a policy for the continuing education of its members. In response, the Continuing Education Committee published a series of guides for enhancing and maintaining actuarial skills. The *Professional Actuarial Specialty Guide* was introduced to provide a reference point from which an actuary can build into his/her own practice area. The library will act as a clearing house for the information contained within these guides.

International list

The *International Actuarial Organizations List* is now available from the SOA library. This list was first compiled by the SOA Library for the 1990 annual meeting that had an international theme. The 1993 edition has been sent to more than 150 international actuarial organizations, universities, and libraries. It contains 65 entries including telephone and fax numbers, organization founding date, and names of the current president and the president-elect.

Additions to the library July - September 1993

This is an abbreviated list of the new holdings in the Society of Actuaries library for the most recent quarter. The full list is available from the library.

American Academy of Actuaries

Actuarial Standard of Practice No. 3, Exposure Draft, "Practices Relating to Continuing Care Retirement Communities," Actuarial Standards Board, American Academy of Actuaries, April 1993

"Health Risk Assessment and Health Risk Adjustment, Crucial Elements in Effective Health Care Reform," Risk Adjustment Work Group, American Academy of Actuaries, May 1993

"Rules of Procedure for the Actuarial Board for Counseling and Discipline," Actuarial Board for Counseling and Discipline, American Academy of Actuaries, June 1993

Casualty Actuarial Society

1993 Yearbook, CAS, January 1, 1993

1993 Syllabus of Examinations, CAS, 1993

Circulating

Devaney, Robert L., *Chaos, Fractals, and Dynamics: Computer Experiments in Mathematics*, Addison-Wesley, (QA 614 .86b .D48 1990)

Paul, Robert D., and Diane M. Disney, *The Sourcebook on Postretirement Health Care Benefits*, New York: Panel Publishers, 1988

International

"Actuarios, No. 8, Marzo 1993," Instituto de Actuarios Españoles

Newsletter, "Society of Actuaries in Ireland," May 1993.

Reprint Subject File

Diabetics Surveillance, U.S. Department of Health and Human Services, 1991.

"Diabetes in the United Strategy for Prevention: Reducing the Burden of Diabetes," Center for Disease Control, U.S. Department of Health & Human Services, 1993.

"Economic Aspects of Diabetes Services and Education: Selected Annotations," Center for Disease Control, U.S. Department of Health and Human Services, September 1992

Syllabus

Black, Kenneth Jr., and Harold D. Skipper, Jr., *Life Insurance*, Twelfth Edition, New Jersey, Prentice-Hall, (HG 8771 .B55 1993)

Hull, John C., *Options, Futures, and Other Derivative Securities*, Second Edition, New Jersey, Prentice-Hall, (HG 6024 .A3 H85 1993)

For more information, call Becky Chase-Warren, assistant librarian, 708/706-3538.

SOA awards grants

The Society of Actuaries recently awarded \$10,000 grants to four Ph.D. candidates conducting research on actuarial science topics for the 1993-94 academic year. The new grant recipients are Giuseppe Russo from the University of California, Berkeley, and Siu-Wai Lai from the University of Wisconsin, Madison.

For his thesis topic, Russo is investigating parameter estimation in a generalized competing risk model where there are additional random causes of termination. Lai's thesis attempts to quantify the variability and time-dependent nature of reserves and to develop a new methodology to evaluate changes in reserves and forecast appropriate summary measures.

Hal Pedersen from Washington University, St. Louis, Missouri, was a new grant recipient in 1992-93 and was awarded the grant for a second year. Margie Rosenberg from the University of Michigan, Ann Arbor, was a new grant recipient in 1991-92 and was awarded the grant for a third year.

The deadline for Ph.D. grant applications for the 1994-95 academic year is March 15, 1994. For more information, call Warren Luckner, research actuary, at the Society office, 708/706-3572.

E&E Corner cont'd

and Construction of Tables. Candidates who passed Course 162 retain credit for the course.

Attention, Canadian students

If you are a Canadian candidate, please remember that as of September 1, 1993, if you need 15 or more elective credits to complete ASA requirements, you must pass the CAS Part 4B exam, Credibility Theory and Loss Distributions, to qualify for Fellowship with the Canadian Institute of Actuaries.