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The University of Buenos Aires and the Society of Actuaries: Becoming partners to develop actuarial academic excellence in Latin America

By Eduardo Melinsky and Javier Campelo

A BRIEF HISTORY OF THE ACTUARIAL SCIENCES PROGRAM AT UBA AND ITS CURRICULA

The Actuarial Sciences program started in 1927 at the Facultad de Ciencias Económicas of the Universidad de Buenos Aires (FCE-UBA). It is officially recognized by the International Actuarial Association (IAA—www.actuaries.org.ar) as fulfilling its educational actuarial syllabus.

The institutions that offer actuarial science programs in Argentina are the Universidad de Buenos Aires (UBA) and the Universidad del Salvador (USAL), but more than 90 percent of the actuaries in our country are graduated from the UBA.

In order to work in the actuarial profession in Argentina, it is mandatory to be registered at a Professional Association in Economic Sciences (Consejo Profesional de Ciencias Económicas—CPCE) of the corresponding Argentinean province where the practice is being developed. The CPCE of the City of Buenos Aires (CPCECABA—www.consejo.org.ar) has been a full member of the IAA since 1998.

The FCE-UBA is one of the finest actuarial programs in Latin America. Actuaries who have graduated from this university are employed by insurance and reinsurance companies, banks and other financial institutions, based in many countries within the region. The actuarial program at FCE-UBA is equivalent to a master's in actuarial sciences in Europe, according to the current European educational standards.

The program includes a large amount of topics and content related to mathematics and statistics, which are to be applied to economics and business. The 1997 Study Plan, for the first time, divided the Actuarial Sciences program into two career paths: Economics and Business. Depending on the program's career path, the students deepen their understanding of Economics and Econometrics (Economics career path); or Business Management (Business career path).

The curriculum of the actuarial program at FCE-UBA for both career paths requires between five and six years of study. The first half of the curriculum relates to the “General Track” with the same courses for all of the professions that can be studied at FCE-UBA, and then each individual profession has a “Professional Track.”

Regarding the actuarial profession, the Professional Track includes, for both career paths, the following subjects: Actuarial



Statistics; Numerical Analysis; Actuarial Biometrics; Actuarial Theory of General Insurance; Actuarial Theory of Life Insurance; Actuarial Theory of Pensions and Health Funds; Actuarial Bases for Investments and Financing; and Risk Theory and Reinsurance.

Since 2000, the FCE-UBA has been organizing the Latin American Actuarial Colloquium (Jornadas Actuariales Nacionales y Latinoamericanas) where professors, graduates and students take part in forums and conferences and submit papers on different subjects in actuarial sciences. The next one will take place Oct. 10–12, 2018.

THE SOCIETY OF ACTUARIES (SOA) LATIN AMERICA COMMITTEE (LAC) AND ITS MAIN OBJECTIVES IN THE REGION

The LAC is a committee comprised of volunteer actuaries of the SOA that carry out the strategic objectives of the aforementioned in promoting the actuarial profession and fostering closer relationships in Latin America through joint activities and projects of relevant and mutual interest. Its main objectives are to:

- Increase the awareness of the SOA in Latin America,
- Collaborate to improve the skills of actuaries and the actuarial profession,
- Enhance the reputation and visibility of the profession and
- Broaden the influence and effectiveness of actuaries in the region.

The LAC seeks to reach the actuarial community in the region, including universities, professional organizations, employers, regulators and actuarial associations. The committee will collaborate with local associations, to enhance the SOA's presence in Latin America and to strengthen its credibility to its Latin American audience. Over the next two years, the LAC will:

- Deepen understanding of local demand and barriers to pursuing SOA exams and credentials,
- Identify relevant continuing education events; leverage the SOA as a sponsor and sought-after SOA speakers and subject matter experts,
- Provide research, such as updating regional mortality tables and establishing joint longevity research, and initiate other relevant projects and
- Keep ongoing communications through publications and surveys.



Pictured L-R Front row: Ann Henstrand, Sofi Garcia, Linda Priebe, Gabriela Dieguez, Lisa Kuklinski, Ronald Poon-Affat, and Luis Caro Back row: Jim Toole, Ramon Galanes, Ed Robbins, Javier Campelo

In addition to the LAC, there are two other regional committees: the China Committee and the Greater Asia Committee. Similar to the LAC, the two committees support members, candidates and other stakeholders via recommended research targets, professional development events, and employer and association outreach.

UNIVERSITIES AND COLLEGES WITH ACTUARIAL PROGRAMS (UCAP)

There are many benefits associated with qualifying as UCAP, including being eligible to apply for educational institution grants; reimbursement of fees for three individual student preliminary exam registrations; participation in different programs each academic year, such as reimbursement for the purchase of study materials for SOA preliminary exams; SOA sponsorship for an approved on-campus event; and reimbursement of travel costs and/or registration fees for student travel to an approved actuarial conference. For a complete list of the benefits, please visit the following link: <https://www.soa.org/Education/Resources/Actuarial-Colleges/ucap-benefits.aspx>.

There are three levels of UCAP recognition: Introductory Curriculum (UCAP-IC); Advanced Curriculum (UCAP-AC); and Center of Actuarial Excellence (CAE), with different requisites for each one.

- **UCAP-IC.** Must maintain course coverage for at least two SOA preliminary exams and have approved courses for at least one Validation by Educational Experience (VEE) topic area.
- **UCAP-AC.** Must maintain course coverage for at least four SOA preliminary exams with one of those being Exam

MLC or Exam C¹ and approved courses for all Validation by Educational Experience (VEE) topic areas.

- **CAE.** Have attained the highest level of recognition the SOA offers universities. They must maintain eight specific requirements related to degree, curriculum, graduate count, faculty composition, graduate quality, appropriate academic integration, connection to industry, and research/scholarship.

There are more than 200 universities that currently qualify as UCAP, about 80 percent of them in the United States and none of them in South America. For a complete list, please visit <https://www.soa.org/Education/Resources/Actuarial-Colleges/actuarial-college-listings-details.aspx>.

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BECOMING PARTNERS TO DEVELOP ACTUARIAL ACADEMIC EXCELLENCE IN LATIN AMERICA

The curriculum of the UBA is constantly being updated in order to fulfill the syllabus requirements of the IAA and other worldwide recognized international actuarial associations, such as the SOA. In this sense, FCE-UBA is offering in 2018 new courses in Statistics and Financial Mathematics that cover the contents of the first two SOA exams: (P) Probability and (FM) Financial Mathematics.

It is also relevant to say that the SOA approved different courses at the UBA a few years ago as VEE for the three VEE requirements. Those actuarial students from the UBA who have passed the following courses with a grade of at least six:

- (a) Actuarial Statistics & Statistics II; or (b) Econometrics, were able to apply for VEE in Applied Statistical Methods.

- Financial Administration, were able to apply for VEE in Corporate Finance.
- Macroeconomics I & Macroeconomics and Economic Policy; or (b) Microeconomics I & Macroeconomics I; or (c) Economics II (Macro) & Economics III (Micro), were able to apply for VEE in Economics.

It is indeed a significant challenge for the UBA to continue being recognized in Latin America as a center of actuarial academic excellence and, simultaneously, strengthening its relationship with other universities in the region. Relating to this, the SOA LAC is currently serving as a conduit between the UBA and various universities in Colombia, Brazil and Chile to mutually collaborate in updating their respective curricula and adjusting them to best international practices of the actuarial profession.

The LAC visited Colombia in October last year, and presentations were given at different universities including Universidad Nacional and Universidad de Los Andes, which would appear to have the most rigorous and stringent actuarial programs in that country. We will also be visiting Brazil in 2018 and have already made contact with several Brazilian universities, including Universidad Federal de Río de Janeiro. Following on from our visit to Brazil, we will then be in Chile where we have been in contact with Universidad Católica, another university with a strong actuarial curriculum.

As all readers will now be aware, these are very exciting times for the actuarial profession in Latin America. We couldn't be happier having the opportunity to work for both, UBA and the SOA, to develop actuarial academic excellence throughout Latin America. ■

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ENDNOTE

1 Effective July 1, 2018, the exams covered must include the Long-Term Actuarial Mathematics Exam or the Short-Term Actuarial Mathematics Exam.