THE ACTUARIAL FOUNDATION®

15 Years of Excellence 1994-2009

Volume 9, Issue 1
April 2009

Preparing for tomorrow's possibilities through education

NEWSLETTER

Chairman's Message

Frederick J. Sievert

Dear Friends of the Foundation,

When The Actuarial Foundation got its start 15 years ago, we never imagined all that could be accomplished by applying actuarial expertise to serve the public good. Since 1994, the Foundation has provided more than $6 million in grants supporting math programs and projects reaching millions of kids, created consumer education materials helping thousands of adults, and expanded our profession's body of knowledge through research and actuarial education.

None of this would have been possible without your support in charitable contributions and professional expertise. Individual actuaries, actuarial organizations, industry partners and other supporters have helped accomplish so much:

- Who better than actuaries to promote math education? What started with benefiting a handful of kids in six schools, our math tutoring and curriculum support programs have grown to become the Foundation's greatest programmatic investments. The Foundation's youth education efforts now reach more than 1 million U.S. school students each year.
- Planning and projecting are among actuaries' greatest skills. Thanks to actuarial expertise, The Actuarial Foundation has built a library of resources designed to help people in all walks of life cope with some of life's significant financial challenges. Whether they're planning for retirement or ensuring they're prepared for disaster, several consumer booklets have been developed and disseminated for their financial health.
- The Foundation supports research grants, papers, awards and scholarships to support the actuaries of today — and tomorrow - ensuring a solid base of knowledge to benefit the profession and public alike.

As we look to the years and decades ahead, the Foundation will continue to serve the public by harnessing the talents of actuaries. In addition to our youth education, consumer education and research and actuarial education work, the Foundation will continue to look for ways to blaze new trails.

We will kick-off our 15th Anniversary year with the awarding of our first Actuarial Diversity Scholarships. Prior to his death last year, Dan McCarthy was a strong advocate for the Foundation taking on the addition of a diversity scholarship program as an investment in the long-term viability of the actuarial profession. It was only fitting then, that memorial contributions made in his honor were applied to the Actuarial Diversity Scholarship.

Dan and other Foundation leaders have helped bring us a long way in 15 years, but we also know there is much more the Foundation can accomplish. We hope those charged with reflecting on The Actuarial Foundation's accomplishments for its 30th anniversary to come will be proud of and grateful to their predecessors, just as we are to those who have made our 15 years of accomplishments worthy of celebrating.

Thank you for making The Actuarial Foundation's first 15 years such a resounding success. We look forward to our continued success in harnessing your talents for the benefit of the public and our profession.

Sincerely,

Frederick J. Sievert, FSA, MAAA
Chairman

MISSION: To develop, fund and execute education and research programs that serve the public by harnessing the talents of actuaries.

Financial Literacy Curriculum for High School ready for dissemination! — see page 3

Our heartfelt thanks to all contributors and volunteers for making the programs of the past 15 years a success!

Welcome to Our New Trustees

Welcome to our new Board of Trustee volunteers whose three-year terms began January 1, 2009. We are honored to have their expertise and enthusiasm working on the Foundation's behalf.

Craig M. Baldwin, FSA, MAAA
Vice President
Transamerica Reinsurance

"Improving schools' student achievement in mathematics is important work and I am a strong believer in the role The Actuarial Foundation plays in this effort. I welcome this opportunity as a Trustee to help further the education of young adults as they prepare for their professional lives."

Paul Braithwaite, FCAS, MAAA
Managing Director
Navigant Consulting

"Giving back is a rewarding experience. It has been my pleasure and privilege to volunteer to serve the actuarial profession in a variety of capacities for over 20 years. While these volunteer activities have always been important and rewarding, I am now honored and excited to have the opportunity as a Trustee to more directly benefit the general public through many of The Actuarial Foundation's important activities, including helping students develop math skills and helping consumers understand insurance products and retirement issues."

Curtis D. Hamilton, MAAA, EA, MSPA
President
TRI-AD

"It is an honor to serve on The Actuarial Foundation Board and in some small measure help grow and give back to the profession that has given me so much both personally and professionally. My years of experience in the retirement and health benefits administration business has shown me how important it is to provide fundamental financial education to our youth, our employees and our general public. If, through the research and education programs of the Foundation, we can help some people learn the significance of free markets and financial accountability, my personal goal will have been met."

Cynthia S. Miller, FSA, MAAA
EVP, Chief Actuary & Integration Management Officer
WellPoint

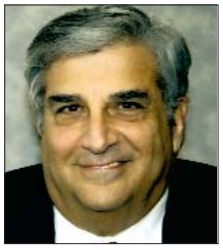
"I believe that education is core to the success of our society. The Actuarial Foundation is a very effective channel for the members of our profession to contribute time, talent and financial resources to programs that have a positive impact on society, as well as on our profession. I am pleased to work with The Actuarial Foundation in pursuing worthwhile goals in the areas of youth education, consumer education, and actuarial research."

Kathy A. Olcese, FCAS, MAAA
Assistant Vice President
Allstate Insurance Company

"I am honored to be asked to serve as a Foundation Trustee. The Foundation offers me, and other actuaries, the opportunity to make a positive difference in the lives of others, especially in the areas of education and research. And through this work, I can help create the Foundation's vision of a secure financial future for an educated public."

Arthur V. Panighetti, FSA, MAAA
Vice President - Actuary
Northwestern Mutual

"I am very pleased and honored to be asked to serve the actuarial profession as a Board member of The Actuarial Foundation. In these times more than ever it is important for all of us to bond together to support one another and I see The Actuarial Foundation as the bond that links all of us who call ourselves members of the actuarial profession. My profession has given me so much in my career that I welcome the opportunity to serve the profession and the public by furthering The Actuarial Foundation's mission through my Board tenure."



Dorn H. Swerdlin, FSA, FCA, MSPA, MAAA, EA
President & Chief Executive Officer
Swerdlin & Company

"One of my passions is to enhance the image of the actuary. The Foundation's service to the community supports that mission in a big way. I am proud to be a Trustee of The Actuarial Foundation."

JOIN OUR EFFORTS IN PREPARING FOR TOMORROW'S POSSIBILITIES WITH A DONATION

3 EASY OPTIONS!

1 Give online at the Foundation's secure Web site. Monthly, Tribute and/or memorial gifts may also be designated. Go to:http://www.actuarialfoundation.org/donor/donor.htm

or

2 Send in the donor reply card included with this edition of the Newsletter;

or

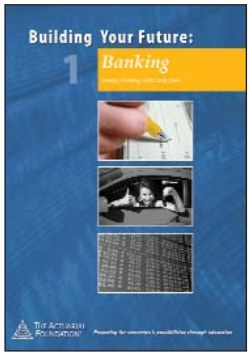
3 Call us at 847-706-3535.

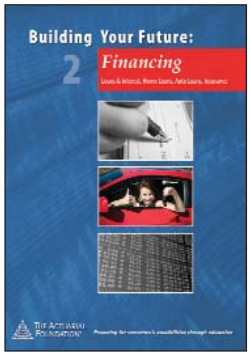
Together, We are Making an Impact

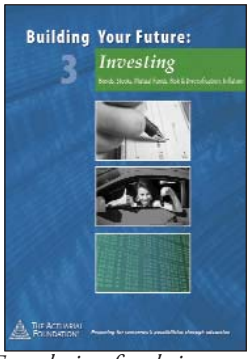
YOUTH EDUCATION

We're inspiring a new generation of math-skilled thinkers.

Building Your Future — Hot of the Press! A high school curriculum for financial literacy education is ready for distribution! Personal finance is part knowledge and part skill — and the *Building Your Future* book series gives students a foundation in both. It addresses knowledge by covering the essential principles of Banking in Book One, Financing in Book Two and Investing in Book Three. The series also addresses the math skills that students need to live a financially healthy life. Students will be able to see the real-world consequences of mastering their finances, which helps them understand the relevance of good mathematical skills.







We wish to thank the New York Life Foundation for their partial funding of the Building Your Future book series.

CALIFORNIA & COLORADO MENTORS NEEDED . . .

Mount Carmel High School, Rancho Penasquitos, CA

Students working in projects from *Calculus Mysteries & Thrillers to Research Projects in Calculus* need mentors for one hour per week for four weeks (May 11-June 3). This ASA program, with mentors help, will give students the opportunity to apply the calculus they learn in the classroom to solve "real-world" problems. Contact debbie.mccormac@actfnd.org to find out more and to volunteer.

Excel Academy, Arvada, CO

Work with Excel's 6th, 7th and 8th grade students in their newly designed ASA program called MAGIC (Math and Games Inspiring Children). These fun mathematical games help to improve the students' problem solving skills. A trip to the Wings Over the Rockies Air and Space Museum is scheduled. For more information, contact rauferio@jeffco.k12.co.us

CONSUMER EDUCATION

We're employing actuarial skills in the public interest.

A grant was awarded to the National Academy of Social Insurance (NASI) for an education brief entitled: *When to Claim Social Security: Questions to Consider*. This project will assess the issues for people approaching retirement to understand their choices about when to claim Social Security benefits. The issues involve a variety of Social Security features, including early retirement reduction in benefits, delayed retirement credits, the impact of these features on benefits for widowed spouses, the retirement earnings test, the tax treatment of Social Security benefits and of earnings, and much more. The information in this brief will be objective, factually correct and offer insights for individuals who are approaching the decision about when to take Social Security benefits. The anticipated completion date is late summer/early fall and will be available on the Foundation's Web site.

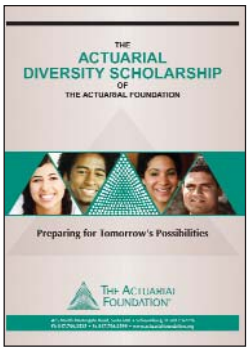
RESEARCH & ACTUARIAL EDUCATION

We're moving boldly to handle the challenges of the future.

It's that time of year when students are looking for scholarship opportunities, and for those students interested in or pursuing the actuarial mathematics field. The Foundation has several scholarships available and applications are now being accepted. **Do You Know a Deserving Student?**

Actuarial Diversity Scholarship

NEW to the Foundation in 2009!



An annual scholarship program designed in 1977 as a joint effort of the CAS and SOA to promote diversity in the profession for Black/African American, Hispanic and Native American Indian students. This program was transferred to The Actuarial Foundation to further strengthen, increase its awareness and to assure the continuation of a diverse and high quality actuarial candidate pool. The Foundation will be awarding its first scholarships in July. Applicants must have at least one birth parent who is a member of one of the minority groups; minimum GPA of 3.0 with an emphasis on math or actuarial courses; and be intent on pursuing a career in the actuarial profession.

Deadline: May 4, 2009

Actuary of Tomorrow — Stuart A. Robertson Memorial Scholarship

Established in 2006 in Stuart Robertson's name to honor and recognize his positive influence on the professional lives of many colleagues in the actuarial profession. Applicants must be a full-time undergraduate student entering as a sophomore, junior or senior in the fall 2009/2010 term; must have a minimum cumulative GPA of 3.0; and must have passed two actuarial exams.

Deadline: June 15, 2009

Caribbean Actuarial Scholarship

NEW for students attending the University of the West Indies! This scholarship is being established in memory of Basil L. & Monica G. Virtue by their son-in-law S. Michael McLaughlin, an actuary who graduated from UWI. This scholarship is designed to promote the advancement of the actuarial profession in the Caribbean by helping students in the actuarial science program. Applicants must be attending the University of the West Indies; be an undergraduate student

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Board Update

Highlights from the Trustee meeting held on March 10, 2009 in Rosemont, IL

- A new Board orientation and workshop was held the day prior to the Trustee meeting as has become the tradition of the first Board meeting of the year. The Committee for Student Achievement presented a workshop to develop a clearer understanding and consensus of where to focus the work in youth education in the future. Presentations were made by Ed Bales, Learning, Training & Education consultant and Maureen Hager, Superintendent of Schools for District 12 in Illinois, described the methodology in schools and the behavior of students of today and tomorrow.
- The new TAFSOC (TAF Supporting Organization Committee), chaired by Art Panighetti with committee members representing each of the five sponsoring actuarial organizations and reporting to CUSP, will work to keep their respective organizations up-to-date on Foundation activities. Annual presentations, as requested, will continue to be made by the Foundation to the full Boards of the supporting actuarial organizations.
- The Governance Task Force will be meeting in the next few months to discuss committees' structure and terms and to review Bylaws and the Policies & Procedures.
- The Caribbean Actuarial Scholarship, a new scholarship for actuarial students, was approved for awarding this 2009/2010 school year. Donor funded, this scholarship award will recognize the accomplishment, leadership qualities and the commitment to become an actuary for students attending the actuarial program of the University of the West Indies.
- Please visit the program area highlights in this Newsletter.

Looking for committee work?

If you are interested in serving on one, or more, of the Foundation's committees or looking for volunteer opportunities, please contact the Foundation office. Staff will be able to provide you with information and answer any questions you may have on the work and responsibilities of our committees and let you know of available volunteer work.

Making an Impact

(continued from page 3)

in the actuarial science program; and hold a minimum GPA of 3.0 or equivalent. Details of this scholarship opportunity are still under development, however, it is anticipated that the first scholarship will be awarded for the 2009/2010 school year.
Anticipated Deadline: June 15, 2009

John Culver Wooddy Scholarship

Established in 1996 by the estate of John Culver Wooddy, a distinguished actuary who set aside funds to provide scholarships to deserving actuarial students. Applicants must be receiving their undergraduate degree by August, 2009; rank in the top quartile of their class; have passed at least one actuarial exam; and be recommended by a professor from their school (limit one application per school).
Deadline: June 26, 2009

For all scholarship questions, please send your inquiries to: scholarships@actfnd.org.

Please visit the Foundation Web site for guidelines and applications for all the scholarships noted at: http://www.actuarialfoundation.org/programs/actuarial/scholarships.shtml

Calendar of Events

April 29-May 1, 2009
ERM Symposium
Chicago, IL

May 3-6, 2009
CAS Spring Meeting
New Orleans, LA

May 18-19, 2009
Public Pension Finance Symposium
Chicago, IL

May 18-19, 2009
SOA Life Spring Meeting
Denver, CO

June 8-9, 2009
ASPPA Advanced Actuarial Conference
Boston, MA

June 8-10, 2009
SOA Health Spring Meeting
Toronto, Canada

June 30, 2009
The Actuarial Foundation
Board of Trustees Meeting
Rosemont, IL

July 30-August 1, 2009
44th Actuarial Research Conference
Madison, WI

SUPPORTING U.S. ACTUARIAL ORGANIZATIONS

American Academy of Actuaries
ASPPA™ Working for America's Retirement
Conference of Consulting Actuaries
Society of Actuaries

2009 Insurance Legends Named

For the past three years, the tradition of recognizing individuals whose leadership, intellect and personal achievements have made a significant contribution to the insurance community and to society in general, has been recognized in conjunction with the annual ReFocus Conference. We are pleased to announce this year's Industry Legends: **David M. Holland, Walter S. Rugland,** and posthumous awards to **James C. Hickman** and **Daniel J. McCarthy**. Awards were presented on March 2, 2009.

Insurance Legends' Golf Classic
to benefit
The Actuarial Foundation

The third annual Insurance Legends' Golf Classic, held just prior to the ReFocus Conference, teed-up for a challenging game at the Bali Hai Golf Club. Unfortunately, the prize of a car or $40,000 cash was left unclaimed, but a good time was had by all. Hope to see you next year!

(from left to right) **Walt Rugland, Margaret Hickman, Virginia McCarthy, Dave Holland**

We wish to thank our many sponsors for making this golf event possible in supporting the Foundation's youth education initiatives. Without their support this event would not have been possible. They are: Ace Tempest Life, Actuarial Careers, Andover Research, Michael & Cathleen Corey Charitable Fund, DW Simpson, Generali USA, Guy Carpenter, Hannover Life Re, Manulife Re, Munich American Re, Optimum Re, Prudential Financial, RGA Re, Sun Life, Towers Perrin, Transamerica Re, Wilton Re and XL Re Life.

Special recognition is given to our most generous Banner and Video Sponsors:

ASSOCIATED CONSULTING GROUP

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Consider a Planned Gift

Planned giving is a deep and meaningful commitment. A way to preserve your values, inspire others around you to give, and forever leave your mark on an organization that has been so meaningful during your life. Leaving a planned gift is a wonderful way to make an expression of your values while realizing significant financial, tax and estate planning benefits.

A planned gift to The Actuarial Foundation during or after your lifetime can be a gift of cash, stock, retirement plan assets or life insurance. Consider The Actuarial Foundation with a gift for today, tomorrow and beyond.

Attention ACHS Members

If you are a member of The Actuaries Club of Hartford and Springfield your donation to the Foundation is eligible for a matching gift. The ACHS has generously committed to match their members' donations today up to a goal match of $1,000 for donations in 2009. Go to the donation page of our Web site and click on the ACHS donate button or identify your club on your mail-in contribution form. Our sincere thanks to ACHS for doubling the impact of your gift to the Foundation.

In Memory Of

The Foundation received many gifts in 2008 in remembrance of the following individuals. Our thoughts are with their family, friends and colleagues:

Ronald L. Bornhuetter, FCAS, MAAA
Ralph E. Edwards, FSA, MAAA
Daniel J. McCarthy, FSA, MAAA, EA
Mary E. Murch
Stuart A. Robertson, FSA, FCA, MAAA
Russell B. Wenitsky, ACAS
Robert W. Butcher, FSA
Irwin I. Kent, ASA, FCA, MAAA
Weltha McLachlan Van Eenam, ASA
Cecil J. Nesbitt, FSA, MAAA
Jack M. Turnquist, FSA, FCA, MAAA

Preparing for Tomorrow's Possibilities *through Education*

Corporate partnerships have helped fund many of the Foundation's programs in youth education, consumer education and research and actuarial education. Thanks to all of the organizations below whose support of our mission has made so much of our work possible. Corporate sponsors from 3/1/08-3/31/09.

ARCHITECT LEVEL – $50,000+ NEW
Milliman Inc. ★

VISIONARY LEVEL – $25,000+
Deloitte Consulting ★
Ernst & Young LLP ★
New York Life Foundation

INNOVATOR LEVEL – $10,000+
Actuarial Careers, Inc. ★
Associated Consulting Group
MetLife Foundation
Society of Actuaries
Thrivent Financial for Lutherans
Towers Perrin ★
Trustmark Companies

PIONEER LEVEL – $5,000+
Actuarial Society of Greater NY
Aon Benfield
Generali USA
Hannover Life Re
Heidrick & Struggles
The Jacobson Group
Kansas City Actuaries Club
Max Bermuda Ltd. ★
Midwestern Actuarial Forum
Munich American Reassurance Co. ★
Munich Reinsurance America ★
S.C. International, Ltd.
Wilton Re

PATHFINDER LEVEL – $2,500+
Alberts Actuarial Consulting LLC
American Academy of Actuaries
DW Simpson Global Actuarial Recruitment ★
Prudential Life

PACESETTER LEVEL – $1,000+
ACE Tempest Life Re USA
Andover Research
Conference of Consulting Actuaries
Conrad Siegel Actuaries
EMB America
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RGA Reinsurance Company
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Transamerica Reinsurance
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BUILDER LEVEL – $500+
American Agricultural Insurance Co. ★
Country Insurance & Financial Services
Gill & Roeser Life Intermediaries Inc.
The McKeogh Company
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Rudolph Financial Consulting, LLC
Stewart Search Advisors LLC

5 YEAR GOLD STAR RECOGNITION

The companies listed with a gold star have made annual corporate contributions to The Actuarial Foundation in each of the last five years.

We thank you for your ongoing support!

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Ellie Vogel *Foundation Assistant*

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