



THE ACTUARIAL FOUNDATION®

Newsletter

PREPARING FOR TOMORROW'S POSSIBILITIES THROUGH EDUCATION

Chairman's Message



David G. Hartman

Dear Friends of the Foundation:

Before I begin this message, let me first thank every one of you for supporting The Actuarial Foundation and its programs. We are making positive

impacts across the board with these programs, as you will read in this newsletter. For my message, I thought I would focus on some new and exciting news on the Foundation which is also very relevant as our nation's schools reopen.

When you are a nonprofit that develops programs to better society and your profession, it is great to see the amount of impact you are making, but it is always particularly fulfilling to also have some evidence to the quality work you do. It not only provides a means to back up how you perceive your efforts, but it is also a way to get some kudos for a job well done.

As an independent affirmation of the value of the *Building Your Future* financial literacy curriculum, the Foundation recently

surveyed nearly 2,000 teachers who received the materials, to get their feedback on the quality of the program. I am happy to report that on a scale of one to five in grading the curriculum and its effectiveness, teachers gave *Building Your Future* an average score of four. One teacher even indicated how happy he was that this curriculum was developed, stating, "These books give me a clear cut way to explain what I only learned from experience." You can read highlights from the report in this newsletter.

It is the Foundation's goal to get this highly "graded" material into 16,000 high schools. To meet this challenge, our most effective marketing approach to date has been to work with state Departments of Education and teacher groups asking them to get our information to the teachers. We also recently exhibited on Capitol Hill during Financial Literacy Day, where we had the chance to showcase our good work on a national stage. All of this work has resulted in the curriculum being delivered to 2,500 teachers. We have a current waiting list of 560 teachers who have requested donated materials for their classrooms as well.

Through the generosity and talent of our profession we have made a significant contribution in the development and

delivery of this valuable program through our ongoing Quench the Thirst campaign effort. But as you can see, the "thirst" still remains. If you have supported *Building Your Future* in any way, I thank you for your generous contribution and hope you will continue your support in the 2010-2011 school year.

Thanks for all you do in support of The Actuarial Foundation!

Sincerely,

David G. Hartman, FCAS, MAAA, FCIA, HonFIA

SPOTLIGHT ON

Survey Says!

We surveyed nearly 2,000 teachers who received our *Building Your Future* curriculum.

Turn to page 5 to see what our high school teachers think of this financial literacy program and their **THIRST** for more.

"A copy of our 2009 Annual Report will be available in September, online. It notes the tremendous progress we made at The Actuarial Foundation over the past year, highlighting the engaging educational materials we provide to teachers and students; materials for consumers to make informed financial decisions; funded research of benefit to the actuarial profession; and awards, prizes and scholarships that reward exemplary work by professionals and students. I'm proud of what we have achieved together and I think you will be too. Thanks to each of you for your generosity and support."

— Eileen C. Streu, CAE, Executive Director

This Newsletter has been made available to you through a grant from Actuarial Careers, Inc.®



www.actuarialcareers.com

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

Together We Are Making an Impact

YOUTH EDUCATION

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

Mentors Make a Difference in North Carolina

In April, five volunteers of the Foundation wrapped up their first year of work with The Hill Center's (Durham, NC) Money Works program. The Hill Center offers programming to K-12 students who have diagnosed learning disabilities or attention deficit disorders. Money Works prepares students to be fiscally responsible citizens, increasing their knowledge of personal finance and matching them with mentors from the community.



Mentors from the Foundation visited the school four times to provide specific instruction on investments, savings, loans and credit. In these hands-on, interactive sessions, students not only increased their knowledge in these areas, but they also learned about actuarial science.

"Thank you for coming to our school. Without you we would have been blind in the dark. With all the information I learned, I can get a jumpstart with my future."

— The Hill Center student



Thanks go out to the following mentors who gave their time to The Hill Center:

Eric Johnson, Aon Risk Consultants Inc.; **Walter James**, North Carolina Dept. of Insurance; **Charles Dilts** (retired); and **Evan Scott**, **Dev Patel** and **Shirley Zeng**, University of North Carolina students.

Two Project Math Minds Winners

The Project Math Minds Committee selected two award winners from eight project submissions. Alex Houck, Farragut High School, Knoxville, TN, received a \$5,000 award, the highest possible award amount, and Minah Yang, Seoul International School, Seoul, South Korea, received a \$2,500 award.

In related news, the Student Achievement Committee is expanding its reach with the



Alex Houck



Minah Yang

Project Math Minds program by participating in an annual Math Fest this November at Youngstown University in Youngstown, Ohio.

Project Math Minds Award Winner Alex Houk

"This award means a lot to me. I was fascinated by the disaster data and learned a lot about actuarial formulas, error, how one can manipulate data, and so much more during this project. Initially the project looked overwhelming, but once I narrowed it down to categories, I could finish things off in chunks. It took awhile for me to get the hang of making graphs and charts, and the amount of data I had in Excel was ridiculous and impossibly hard to scroll through, but in the end, it all worked out. I had to turn in the project at the end of the semester for my grade and present it as well. Overall, it was a really rewarding experience!

I'll be attending the University of Tennessee at Knoxville and I am definitely leaning towards actuarial science. One of my uncles, who lives in Hawaii, used to be an actuary, and I've known a lot about the career ever since my mom suggested the idea to me years ago. Thanks for the award! I appreciate it so much."

— Alex Houck

Thank You, Volunteers!

The Foundation thanks all the Project Math Minds volunteers who dedicated their valuable time to the development, mentoring and award selection activities this past year:

Robert Eaton, John Hancock Life Insurance Co.; **Rebecca Armon**, HCC Service Company; **Kevin Cormier**, Liberty Mutual Group; **Todd Erkis**, Towers Watson; **Wei Hao**, State Farm Life Insurance Co.; **Peter Martin**, Axis Specialty; **William Miller**, INA Holdings, Inc.; **Jerome Tuttle**, Platinum Underwriters Reinsurance Inc.; **L. Nicholas Weltmann, Jr.**, AIG Risk Management Inc.; **Carol Tveite**; **Scott Meyer**, Delta Dental Plan of Wisconsin; **Mubeen Hussain**, University of Windsor; **Francis Brown**, Massachusetts Mutual Life Insurance, Co.; **Robin Brull Fichtelberg**, Transamerica Insurance & Investments; and **Jonathan Norton**, Harbor Point Services.

RESEARCH

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

Stochastic Modeling Published

The International Actuarial Association in late June published *Stochastic Modeling — Theory and Reality from an Actuarial Perspective*. The Foundation, along with five other actuarial organizations, supported the development of this publication with a \$20,000 contribution.

A guide for practitioners interested in understanding this important emerging field, *Stochastic Modeling — Theory and Reality from an Actuarial Perspective* presents the

mathematical and statistical framework necessary to develop stochastic models in any setting (insurance or otherwise). Sufficient mathematical detail is presented but no advanced background in mathematics or statistics is required.

This publication features case studies of life and non-life insurance companies, covering a range of topics relevant to capital and surplus modeling of life and



non-life insurance companies, including Economic Capital calculations, stochastic reserve and capital calculations, embedded value analyses, and stochastic product pricing and risk management. Taken together, these case studies cover most of the widely-used insurance applications of stochastic modeling to date, and provide an illustrative framework from which future applications can be developed.

For more information, or to order a copy, visit www.actuaries.org.

CONSUMER EDUCATION

We're employing actuarial skills in the public interest.

NASI Brief Seeing Results

As reported in the April 2009 newsletter the National Academy of Social Insurance (NASI), with funding from the Foundation,

released the brief *When to Take Social Security: Questions to Consider*. Since the publication of the brief, NASI distributed a press release, which was posted on 200 news Web sites with

more than 44 million visitors, and was mentioned in the *Wall Street Journal*. As a result, the brief has been downloaded from the NASI Web site 1,600 times and the Foundation Web site 690 times. View it at www.ActuarialFoundation.org/programs/consumer/NASI-Brief-SocialSecurity.shtml.

Foundation Adds Director of Marketing and Communications



Chris Jorgensen

In July, the Foundation welcomed Chris Jorgensen as its new director of marketing and communications. Jorgensen will be responsible for devising an integrated marketing plan to support the Foundation's marketing effort while developing and maintaining relationships to broaden the awareness of the Foundation and its programs. He will also manage all of the Foundation's marketing and communications activities, including the Foundation's Web site, newsletters and external communications.

Jorgensen brings to the Foundation a combined 13 years of nonprofit marketing/communications and magazine publishing experience.

Contact him at Chris.Jorgensen@ActFnd.org; 847-706-3659.



Stack the Odds in Favor of Students ...

Actuarial Foundation Charity Event

Join your friends and colleagues

for an evening of fun and networking at The Actuarial Foundation Charity Event to support its programs to continually improve mathematics among American school students.

Monday, October 18 • 8:00 p.m. • Hilton New York

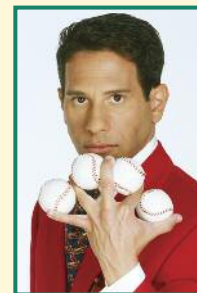
The event will take place during the Society of Actuaries Annual Meeting.

Recreational Poker Blackjack

Craps Roulette

Hors d'oeuvres Spirits

Grand Prize Drawing



Entertainment by magician Brent Loewenstein

If you live in the New York area, make plans to attend our charitable event. Space is limited and registration is required. Register online today!

www.ActuarialFoundation.org/events/soa-charity-event.shtml

Board Update

Highlights from the Trustee meeting held July 15, 2010 in Rosemont, IL.

- Association Forum will run a cover story in the September issue of its member magazine on the Foundation and its profession giving back to society through the *Building Your Future* program. The author interviewed Bob Conger, Maureen Hager, Fred Seivert, Dave Hartman and Jim Tilley for the story.
- The Consumer Education Committee reported that the American Association of University Women will soon make the Foundation's materials available on its Web site. The committee is also pursuing a consumer awareness partnership with University Extension programs.
- In 2009 the Foundation used 175 volunteers in its mentoring programs. Of those volunteers, 145 reported working a total of 3,814 volunteer hours.
- Congratulations to the following individuals who will join the Foundation Board as Trustees in 2011: Thomas Corcoran, Douglas French, Michael Fusco, Kevin Howard, Julie Malida and Gail Ross.
- The Board elected Joseph W. Kelly to the chair-elect position beginning in 2011.
- The Board held a half-day workshop the day before the Trustee meeting to continue work on a three-year strategic plan.
- The next meeting will be December 2 in Dallas.

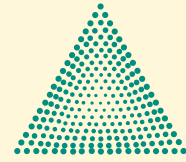
Legacy Circle Members Invest in the Future



"Making a planned gift to The Actuarial Foundation was an easy and natural way to give back in acknowledgement of an actuarial career that was fulfilling in so many ways. Our bequest combined with those of a (hopefully) growing number of others will enable the Foundation to increase the scope of its important work for the benefit of many and help to highlight the value provided by our profession's skills.

As Legacy Circle members, we would like to acknowledge Daniel W. Pettengill who recently passed away and left 4% of his estate to the Foundation." — **Rod and Lori Rohda**

For information on planned giving, visit www.ActuarialFoundation.org/donate/PlannedGiving.shtml.



Calendar of Events

September 20-21, 2010

Casualty Loss Reserve Seminar
Lake Buena Vista, FL

October 17-20, 2010

ASPPA Annual Conference
National Harbor, MD
and
SOA Annual Meeting
New York, NY

October 18, 2010

The Actuarial Foundation
Fundraising Event
New York, NY

October 24-27, 2010

CCA Annual Meeting
Rancho Mirage, CA

November 7-10, 2010

CAS Annual Meeting
Washington, DC

November 8, 2010

AAA Annual Meeting
Washington, DC

SUPPORTING U.S. ACTUARIAL ORGANIZATIONS

"Because of the great support given to TAF by the AAA, ASPPA, CAS, CCA and the SOA, which covers our infrastructure costs, 100% given by our other donors goes to support programs. For that I thank you." — **David G. Hartman, Board Chair**



SOCIETY OF ACTUARIES

Teachers Move *Building Your Future* to the Head of the Class

And they THIRST for More....

Thanks to the generous support of actuaries through our successful **QUENCH THE THIRST** campaign and ongoing marketing to reach high school teachers, the Foundation has provided the *Building Your Future* curriculum to 2,500 high school teachers who reach more than 62,000 students.

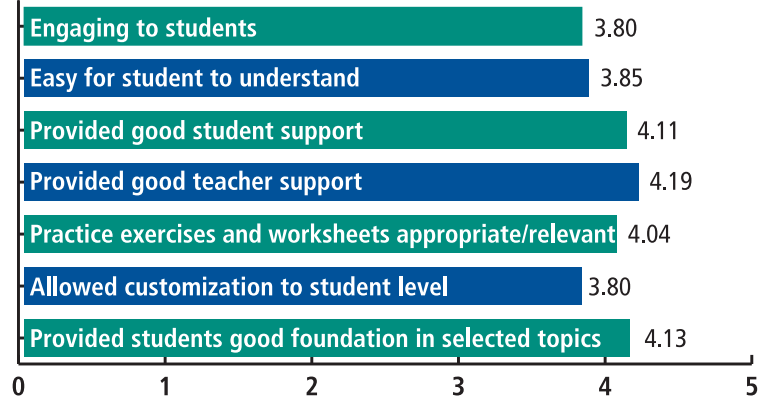
This demonstrates interest in the curriculum, but the question stood: Do our teachers find the material interesting and engaging once they receive it? The Foundation wanted answers, so we surveyed nearly 2,000 teachers who received our materials and asked them to grade our work. When we got the report card, we were pleased.

When asked to grade *Building Your Future* on a scale of one to five in seven areas they gave the curriculum a rounded-up grade of four (see the chart). These data demonstrate quite clearly that teachers are receiving and implementing the *Building Your Future* curriculum and that the Foundation has quenched the **THIRST** for a solid, teacher-friendly financial literacy curriculum.

But the THIRST remains...

We then asked them about any future plans for *Building Your Future*. Of those who used the curriculum this year, an astonishing 98.4% indicated they either plan or want to use the program again this school year. When you couple that percentage with the 560 teachers who remain on our waiting list for classroom sets of materials, we have evidence in hand that the **THIRST** remains for financial literacy curriculum in our nation's high schools.

Teacher Ratings for *Building Your Future*



94.7% of teachers have a goal to prepare their students for independent living

QUENCH THE THIRST

According to Sallie Mae, 64% of college students wish they would have received financial literacy training in high school. This is your chance to “raise your hand” and make a difference with our nation’s teens. Join our ongoing **QUENCH THE THIRST** campaign to bring *Building Your Future* to a high school during the 2010-2011 school year. Your generous donation of classroom materials will enable high school teachers to bring a lifetime of financial literacy to our nation’s teens.

The THIRST Remains

THANK YOU!
“Because of your generosity, I am able to provide my students with resources that will enhance the information that I provide. I thank you and appreciate your kindness.”
- Riverdale High School (TN)

Actuaries can make an impact.
There are 560 schools on the waiting list to receive *Building Your Future* classroom sets.
QUENCH THE THIRST for knowledge. Donate a set today at www.ActuarialFoundation.org/donate/quench.shtml.

Corporate Sponsors Rise to the Challenge

The Foundation thanks the corporations that chose to make waves in our **QUENCH THE THIRST** campaign by providing *Building Your Future* materials to teachers across the country:

- New York Life Foundation
- Odyssey Re
- Belfatti, McGrath & Company
- Deloitte Consulting
- RGA Reinsurance Company
- Anthem Blue Cross and Blue Shield
- Prudential

Make waves in your own backyard!

The Foundation seeks companies to sponsor schools on our waiting list from their home state. For more information, contact Eileen Streu (847-706-3557; Eileen.Streu@ActFnd.org).

Preparing for Tomorrow's Possibilities *Through Education*

Corporate partnerships have helped fund many of the Foundation's youth, consumer, awards, prizes, research and scholarships initiatives. Thanks to all of the organizations below whose support of our mission over the last year has made so much of our work possible.

Corporate sponsors from 06/01/09-08/01/10.

ARCHITECT LEVEL \$50,000 +

New York Life Foundation
OdysseyRe Foundation
Thrivent Financial for Lutherans

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Justin Hornburg Consulting
Manulife Financial
Optimum Re Insurance Company
Pacific Life Foundation
S.C. International, Ltd. ★
SCOR Global Life
Sun Life Financial
Transamerica Reinsurance
TRI-AD ★

BUILDER LEVEL \$500+

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Actuarial Advisors, Inc.
EFI Actuaries
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Gulf Benefit Consultants Inc.
The McKeogh Company ★
Regnier Consulting Group
Rudolph Financial Consulting, LLC
Wakely Consulting Group, Inc.

The Actuarial Foundation

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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!



THE ACTUARIAL
FOUNDATION®

475 N. Martingale Road #600

Schaumburg, IL 60173-2226

Phone: 847/706-3535

Fax: 847/706-3599

E-mail: Eileen.Streu@ActFnd.org

Chris.Jorgensen@ActFnd.org

Debbie.McCormac@ActFnd.org

Laura.Hogan@ActFnd.org

Eleanor.Vogel@ActFnd.org

Web: www.ActuarialFoundation.org

STAFF

Eileen C. Streu, CAE

Executive Director

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Debbie McCormac

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