

August 17, 2006

To: Students, Alumni and Friends of the University of Nebraska-Lincoln Actuarial Science Program

[Note: If you would prefer to not receive this occasional communication, or if you know of someone who might be interested in receiving it, please contact Kathy Schoonover at kschoonover1@unl.edu or 402-472-2330. If you received this by regular mail and prefer to receive it by email, please send your email address to Kathy.

Also, we would like to make sure our records are as up-to-date as possible. To that end, please let Kathy know if your information in our records needs updating (e.g. change of employer, name or professional designation); in particular, it would be helpful if you would check the appropriate listing (Pre-Associate, Associate, or Fellow) at our website (accessed at <http://www.cba.unl.edu/dept/actuarial/>) to see if we have the information correct.]

Summer is almost over – time flies when you’re having fun! (or as the frog says) – so it’s time for another newsletter!

In this cover note, I want to again emphasize the importance of continuing to attract qualified students to the Program. Historically, a major strength of UNL’s Actuarial Science Program has been the quality of the actuarial science graduates, both in terms of their academic ability and their understanding of what is required to become a member of the actuarial profession. We very much appreciate your help in identifying and advising potential UNL actuarial science students.

If you received this newsletter electronically, you may use the table of contents below (click on the page number) or “Bookmarks” to navigate through this communication for additional detail on items of interest to you. Also, the Actuarial Science Program’s website, <http://www.cba.unl.edu/dept/actuarial/>, contains much information about the Program.

Items detailed in this newsletter include:

1. 50th Anniversary Celebration Fall 2007 – PLEASE COMPLETE AND RETURN THE SEPARATE SURVEY BY FRIDAY, SEPTEMBER 15
2. “Worth a Million” Campaign update (pledge/contribution form separately included)
3. The Actuarial Science Program Mission Statement and list of Goals for Student Learning Outcomes
4. Actuarial Science Scholarship recipients 2006-2007
5. The April 28 seminar “Health Care and Wellness: *Caring for Our Well-Being*”
6. Student News –graduates (May 2006 and August 2006); internships; exam success; Actuarial Science Club
7. Faculty and Staff
8. Actuarial Science Program commemorative display
9. Nebraska Actuaries Club Committee for the Chair of Actuarial Science at the University of Nebraska (“Chair Committee”) members and their affiliation. Special thank you to Paul Ochsner, who, after many years of service on the Chair Committee, retired from the Committee last Spring, and to Max Rudolph for his service on the Committee. Welcome to Dave Swanson who joins the Committee as the Jefferson Pilot Financial representative, and to James Blackledge who joins the Committee as the Mutual of Omaha representative.
10. Validation by Educational Experience at UNL
11. Curriculum Changes
12. Interviewing students
13. Havelock Charity Run
14. “Summer time and the living is different!”
15. Actuarial Science Club T-Shirt Available!

If you have any questions or suggestions or just want to say hi, please feel free to contact me by phone, email or regular mail. Or just stop by when you have the opportunity to visit Lincoln!

Thanks for your interest in, and support of, UNL’s Actuarial Science Program.

Warren

Warren Luckner, FSA, CFA

David P. Hayes Memorial Chair in Actuarial Science

Director, Actuarial Science Program, University of Nebraska-Lincoln, CBA 210 A, Lincoln, Nebraska 68588-0490
402-472-1981; wluckner2@unl.edu

50 th Anniversary Celebration Fall 2007	2
“Worth A Million” Campaign Update	2
Mission Statement and Goals for Student Learning Outcomes	3
Actuarial Science Scholarship Recipients 2006-2007	3
April 28, 2006 Seminar: “Health Care and Wellness: Caring for Our Well-Being”	4
Student News	5
Faculty and Staff	6
Actuarial Science Program Commemorative Display	6
Nebraska Actuaries Club Committee for the Chair of Actuarial Science	7
Validation by Educational Experience (VEE)	7
Curriculum Changes	7
Interviewing Students	8
Havelock Charity Run.....	8
“Summer time and the living is different!”.....	9
Actuarial Science Club T-Shirt Order Form.....	10

50th Anniversary Celebration Fall 2007

The fall of 2007 will mark the 50th anniversary of the formalization of UNL’s Actuarial Science Program through the efforts of the Nebraska Actuaries Club and the University. Certainly something worth celebrating! We would like your feedback on the where, when and what of such a celebration. So please complete and return the separate 50th Anniversary Celebration survey form by Friday, September 15.

“Worth A Million” Campaign Update

Thanks to all who have been able to contribute to our 5-year fundraising campaign “UNL Actuarial Science Program: Worth a Million!” To date, approximately \$800,000 in pledges and cash has been received. Several organizations and many individual alumni and friends of the program have made contributions. With your help we will be able to celebrate achieving the \$1,000,000 goal at our 50th Anniversary Celebration! Targeted needs include: funds to support graduate students for teaching problem labs (now have four such labs) or providing grading assistance; and funds to support faculty attendance at professional meetings. Increased ongoing needs include funds to continue the reimbursement of fees for passing exams or receiving Validation by Educational Experience (VEE) credit, and funds to maintain the current level of faculty and staff. Separately included with this newsletter is a pledge/contribution form that can be printed out and submitted as indicated to the University of Nebraska Foundation. You may use the pledge/contribution form to make a contribution to either the Actuarial Science Fund or the David P. Hayes Memorial Chair, which also provides funds to support various activities of the Actuarial Science Program. The text of the plaque commemorating David’s life, and the establishment of the David P. Hayes Memorial Chair in Actuarial Science by his parents, Cliff and Meredith, can be viewed at <http://www.cba.unl.edu/dept/actuarial/>.

Mission Statement and Goals for Student Learning Outcomes

As part of the University's accreditation review, the Actuarial Science Program established the following mission statement and goals for student learning outcomes. Both were developed by actuarial science faculty with the assistance of the Nebraska Actuaries Club's Committee for the Chair of Actuarial Science at the University of Nebraska-Lincoln.

MISSION STATEMENT

The Mission of the Actuarial Science Program at the University of Nebraska Lincoln is

- to produce well-educated graduates who can make significant contributions to the financial security of individuals, corporate organizations and society through the ability to identify, quantify, assess and manage risk and uncertainty, and
- to produce theoretically sound and practical research that contributes to the advancement of actuarial science and actuarial practice.

GOALS FOR STUDENT LEARNING OUTCOMES

In support of this mission, the Actuarial Science Program has the following goals for student learning outcomes:

1. Understand the content of the UNL courses covering the learning objectives described in the Society of Actuaries (SOA) Basic Education Catalog for preliminary actuarial examinations Probability (P), Financial Mathematics (FM), Actuarial Models (M) and Construction and Evaluation of Actuarial Models (C)
2. Understand the content of the UNL courses that have been approved for the actuarial profession's Validation by Educational Experience (VEE) program for the topics of Economics, Corporate Finance and Applied Statistics
3. Demonstrate the ability to apply the concepts of actuarial science in solving problems related to financial security
4. Understand the additional considerations in practical applications of actuarial theory, such as assumption setting, Actuarial Standards of Practice, the professional code of conduct, and effective communication
5. Understand that being a professional requires that actuarial tasks be completed with the highest regard for personal and professional ethics
6. Demonstrate the ability to transition from actuarial theory to actuarial practice, and the ability to apply tools that actuaries use in practice to complete actuarial tasks, such as EXCEL and commercially available actuarial software
7. Demonstrate the ability to communicate the results of quantitative analysis effectively, both in writing and orally
8. Demonstrate the ability to work cooperatively with others
9. Understand what is involved in being a member of the actuarial profession, including the types of employment available in an actuarial career, and the requirements to become, and remain, a member of the actuarial profession
10. Demonstrate the ability to be productive in one or more actuarial roles including:
 - a. current or developing areas of actuarial practice;
 - b. research designed to deepen or broaden actuarial knowledge; or
 - c. education of aspiring or practicing actuaries.

Actuarial Science Scholarship Recipients 2006-2007

Special thanks to the Nebraska Insurance Federation (NIF) and its Executive Director Jan McKenzie for designating scholarships for actuarial science students. Thanks also to CIGNA, the Principal Financial Group, and the Nebraska Actuaries Club for continuing to provide funds designated for scholarships for Actuarial Science students at UNL. The recent enhancement to the NIF scholarships – two \$2,000 scholarships renewable for a second year at \$2,000 – along with the long-time Nebraska Actuaries Club and the UNL Actuarial Science Program scholarships are essential to attracting and retaining excellent actuarial science students.

Students who have been awarded actuarial science scholarships for 2006-2007 are:

Nebraska Actuaries Club (new first year student): Thomas Wanek

Nebraska Insurance Federation (new first year students; began 2004-2005): Lindsay Eva Dykman; Matt Sheets

In-State, Out-of-State Actuarial Science Program Grants (new or continuing students):

Out-of-State, continuing students: Greg Gysberg; Ashley Jennrich; In-State, new students: Jeffrey Pierce; Thomas Wanek
In-State, continuing students: Drew Ballard; Kristen Kennelly; Sergey Manouilov; Jessica Schafers; Craig Schommer; Collin Sell

April 28, 2006 Seminar: “Health Care and Wellness: Caring for Our Well-Being”

Marilyn Hoskins, who helped organize the seminar on behalf of the College of Business Administration, provided the following report on the seminar:

“On April 28th”, a joint effort by UNL’s Actuarial Science Program in the College, the Lincoln City Council, and the Lincoln Chamber of Commerce brought together representatives from several disciplines to begin a dialog on the drivers and possible solutions to rising healthcare costs. Seminar participants came from all aspects of the issue, including insurance companies, hospitals, public health offices, and businesses. After each of two keynote presentations, participants were divided into random breakout sessions to facilitate an understanding of the issues from various points of view.

The day opened with a speech from David Palm, Ph.D., Director of the Nebraska Office of Public Health, on health economics. “We are reimbursing high intensity events, but not reimbursing at the appropriate level, low-intensity programs that have high value, such as screening for disease, or diet and exercise programs, or even reminder calls. Overuse, misuse, and waste of medical procedures result from reimbursement policies. Improved coordination and communication can reduce duplication and therefore costs.”

Katherine Baicker, a member of the President Bush’s Council of Economic Advisers, spoke at noon on U. S. policy goals to improve the costs and delivery of healthcare. “The overriding goal is to create a system where spending decisions are made based on an evaluation of costs versus benefits and ensure that care is available and affordable. Health care dollars are not allocated to the highest value uses. Reimbursement drives health consumption decisions. Incentives can be improved by removing the bias against consumer-directed care, provide more information on price and quality, and make insurance more affordable. Price-sensitive consumers armed with information are likely to increase competition, promote development of cost effective technology, and make health care dollars go further.”

The day wrapped up with an overview of the conversations in the two breakout sessions. The facilitators from the morning sessions found common ground on the issue of health care cost drivers. Among the drivers are: consumers have a “want it now” mentality, there is poor communication between patients, doctors, hospitals, and insurance companies; the health care profession has not developed efficient record keeping resulting in redundant procedures, reluctance of insurance companies to support wellness programs, and consumers are removed from the decision making process. The endemic problems of health care are so complicated that the solutions portion of the day created a very good dialog but no silver bullet. There were pros and cons regarding the efficacy of consumer driven health plans. One item in which all the participants could agree is the need for efficient and accessible record keeping by all health care providers and insurers. All agreed that wellness programs were critical in reining in health care costs. One novel idea was that there should be a national standard (not a national plan) for an adequate health care plan and all of the population should be required to participate in a health care plan, similar to the Massachusetts program.

The goal of hosting this seminar was to create a dialog and open communication lines between consumers, employers, providers, and insurers to generate ideas that could lead to solutions. The passionate discussions taking place throughout the day are evidence that the goal was accomplished.”

Student News

Please contact Kathy Schoonover (kschoonover1@unl.edu, or 402-472-2330) if you have any additions or corrections to the following student lists.

MAY/AUGUST GRADUATES		INTERNSHIPS	
Name	Organization	Name	Organization
Xiang Chen (May-MS)		Chris Arwood	Physician's Mutual
Andrew Clements (M-BS)	Jefferson Pilot Financial (Omaha)	Xiang Chen	Ameritas
Luis Gutierrez (M-MS)	<u>Return to:</u> Suramericana de Seguros Life, Health, P&C Medellin, Colombia	Shengjie Guo	Hewitt (Lincolnshire, IL)
Kyou-Ha Jee (M-MS)		Tamara Hefley	Nebraska field office, USDA Agricultural Statistics Service
Jing Wen Khor (M-BS)		Ashley Jennrich	State Farm (Bloomington, IL)
Jun Li (August-MS)		Nick Johnson	Mutual of Omaha
Li Erh (April) Loh (A-BS)		Kristen Kennelly	Zurich North America (Omaha)
Joe Moore (M-BS)	Towers Perrin St Louis	Jun Li	Ameritas
Junjuan Ni (A-MS)	Progressive	Sergey Manouilov	CIGNA
Robert Peterson (M-BS)	Actuarial Resources Corporation	Katilyn Pulcher	Mercer (Chicago)
Jessica Schroeder (M-BS)	Principal Financial Group	Brian Poppe	Jefferson Pilot Financial (Omaha)
Yu-Ling Sun (M-MS)		Lee Richert	Assurity Security Group
Eric Tarnow (M-BS)		Barton Sattler	Milliman, Inc (Milwaukee, P&C)
Zhaochun Wang (A-MS)		Mark Schmitz	CCA Strategies (Boston)
Bryan Zuerlein (M-BS)	American National	Craig Schommer	Mutual of Omaha
		Brittany Schwarz	Ameriprise Financial (Mnpls)
		Collin Sell	Assurity Security Group
		Mike Synowicki	Zurich North America (Omaha)
		Eric Tarnow	Fireman's Fund
		Matt Wiehl	CCA Strategies (Chicago)

Special congratulations to Andrew Clements and Eric Tarnow who were among the 26 May graduating students named Chancellor Scholars, the highest academic honor graduating students can receive.

Also of particular note is that two 2001 Actuarial Science MS graduates, Chung Baek and Todd Brown, received Ph.D. degrees in Finance in August. Both have taken academic positions, Chung in Alabama, and Todd in Texas.

Congratulations to the following students who passed actuarial exams in May 2006!

Exam P

Bryan Zuerlein

Exam M

Andrew Clements

Steven Hunke

Kyouha Jee

Robert Peterson

Yu-Ling Sun

Eric Tarnow

Matthew Wiehl

Sung-Wan Yang

Exam C

Pin-Chang Liu

Exam FM

Chris Arwood

Feng Cui

Greg Gysberg

Xiao Hua

Qi Huang

Jing Wen Khor

Moon Gap Kim

Wei-Jen Kuo

Yong Seng Lam

Shanshan Li

Mingming Pan

Lee Richert

Craig Schommer

Brittany Schwarze

Haoyu Wang

Xiang Yang Wang

Weng Lon Wong

The officers of the University of Nebraska Actuarial Science Club for the remainder of 2006 are:

President: Mark Schmitz **Vice President:** Mike Synowicki **Secretary:** Kristen Kennelly
Treasurer: Greg Gysberg **Marketing Specialist:** Barton Sattler **Technology Specialist:** Matt Wiehl
International Student Representative: Luis Morcillo

Faculty and Staff

I currently teach Financial Mathematics, Actuarial Applications in Practice, and problem labs.

The other actuarial science faculty members are:

Colin Ramsay, Ph.D., ASA, The E. J. Faulkner Professor of Finance: Colin teaches Life Contingencies, Risk Theory and Pensions. His research interests include Risk Theory, Pensions and Business credit insurance. He is the graduate program adviser.

Mostafa Mashayekhi, Ph.D., ASA, Associate Professor of Actuarial Science: Mostafa teaches Survival Models, Credibility Theory and Simulation, Forecasting and Stochastic Processes. His research interests include Compound and Empirical Bayes Decision Theory, Credibility Theory, and Survival Models.

Sue Vagts, FSA, Lecturer: Sue worked in the insurance industry for several years as an individual life and annuity product development actuary. She is the Program's leader in incorporating actuarial software education into the curriculum. She teaches Actuarial Applications in Practice, and actuarial problem labs, as well as Principles of Insurance for the Finance department.

Administrative support is provided by Kathy Schoonover Alice Flowers, who also provide staff support for the Finance Department.

Actuarial Science Program Commemorative Display

The Actuarial Science Program commemorative display continues to evolve. A list of current and former members of the Nebraska Actuaries Club Committee for the Chair of Actuarial Science at the University of Nebraska is now included.

A formal dedication of the display case has not yet been scheduled.

Nebraska Actuaries Club Committee for the Chair of Actuarial Science

Since its establishment in 1957, the Nebraska Actuaries Club Committee for the Chair of Actuarial Science has provided advisory and financial support to the Actuarial Science Program.

The current members of the Chair Committee are:

Frederick R. Rickers, FSA, MAAA, (Chairman), Assurity Life Insurance Company
James T. Blackledge, FSA, MAAA, Mutual of Omaha
Roxann Brennfoerder, FSA, MAAA, Ameritas Life Insurance Corporation
Cecil D. Bykerk, FSA, MAAA, CDBykerk Consulting LLC
David N. Cook, FSA, MAAA, Milliman U.S.A. Consultants and Actuaries
Glen C. Gahan, FSA, MAAA, Silverstone Group
Denise R. Olson, FCAS, MAAA, Zurich North America Insurance Company,
Casualty Actuarial Society Liaison to the UNL Actuarial Science Program
David L. Swanson, FSA, MAAA, Jefferson-Pilot Financial
David T. Wallman, FSA, MAAA, Security Financial Life Insurance Company

Validation by Educational Experience (VEE)

A feature of the requirements to attain professional actuarial designations that was introduced in 2005 is Validation by Educational Experience (VEE). Three subjects that had previously been validated by examination – Economics, Corporate Finance, and Applied Statistics – are now to be validated by educational experience, which means achieving a B- or better in a course approved by the CAS and SOA. The philosophy is that this is an appropriate validation technique for subjects that are important but not core to actuarial science (e.g. Economics, Corporate Finance), or subjects that are best learned and validated in a classroom setting rather than by taking an exam. Applied Statistics is an example of the latter because actually doing data analysis is more educationally valuable than taking an exam that tests relationships and formulas of Applied Statistics. We are pleased to note that UNL has courses approved for all three subjects, and that anyone may register as a visiting student to take ActS 430/830, Actuarial Applications of Applied Statistics, which is offered each fall semester. Detail regarding UNL VEE-approved courses is available at <http://www.cba.unl.edu/dept/actuarial/info.html>.

Curriculum Changes

Curriculum changes are to accomplish the following goals:

1. Courses that in the aggregate
 - a. cover the learning objectives listed for the Preliminary Education section of the professional actuarial designation qualification process
 - b. introduce students to the theory and application of actuarial science
 - c. provide problem lab assistance for students preparing to take the actuarial examinations that are included in the Preliminary Education section
2. Major requirements that
 - a. provide students a sound theoretical and practical foundation in actuarial science consistent with the actuarial profession's preliminary education learning objectives
 - b. encourage students with the interests and abilities to become actuaries to pursue an actuarial science major
3. A class schedule that
 - a. provides undergraduate students who start with first semester calculus the opportunity to: pass at least two of the preliminary professional actuarial examinations, complete all of the Validation by Educational Experience requirements of the actuarial profession's Preliminary Education requirements, and graduate within four calendar years
 - b. provides students who enter the graduate program with full graduate standing (credit for the Probability actuarial exam and no course deficiencies) the opportunity to: pass at least two more of the preliminary examinations, complete all of the Validation by Educational Experience requirements of the actuarial profession's Preliminary Education requirements, and obtain the Masters degree within two calendar years

During the 2006-2007 academic year, we will be determining how best to incorporate the changes resulting from the addition of Financial Economics topics to exams FM, M and C.

Interviewing Students

On behalf of the University of Nebraska - Lincoln's actuarial science students and faculty, we thank the many organizations that have considered UNL students for actuarial positions. We very much appreciate your interest in our students. We have several actuarial science students who will be graduating in December of this year.

In the recent past, several companies have come to campus in the fall to recruit both December and May graduates for full-time positions, as well as to recruit students for summer positions. As you know, fall is a busy time for actuarial students, in part because the November actuarial exams take place while students are still in semester classes. In addition, some organizations interested in hiring actuarial students only recruit in the spring. To reduce the time demand on students, to provide an opportunity for all recruiting organizations to have comparable access to May graduates and students interested in summer positions, and to provide such students an opportunity to visit with all the companies of interest to them, the Actuarial Science Program encourages organizations recruiting on-campus in the fall to only recruit August and December graduates for full-time positions and to delay student recruiting trips until after the early November actuarial examinations (i.e. after November 8).

UNL's Career Services office provides valuable assistance to employers and students (and alumni). Of particular note are Husker Hire Link, an online means to reach UNL students, and on-campus Career Fairs, which are opportunities to provide information about your organization to UNL students. The dates for Career Fairs this academic year are October 3, 2006, and February 13, 2007. More information about Husker Hire Link and the Career Fairs, as well as other services provided by the Career Services, can be accessed on the Web at <http://www.unl.edu/careers/employer/>, or by contacting the Career Services office at 402-472-3145. Be sure to register early for the Career Fair if you want to be listed in the Career Fair brochure distributed to students!

Havelock Charity Run

I am pleased to report that the Actuarial Science Program had two teams participate in the 2006 Havelock Charity Run June 17 (note the date change from mid-May to mid-June meant we had to use alumni/ringers!).

Actuaries Have Friends, Too (10K Mixed)

Captain – Chase Meyer
Kelly Halverson
Kristen Kennelly
Caroline Meyer
Greg Peters

Future Actuaries Plus (10K open)

Captain – Warren
Collin Sell
Tim Sell
Sean Sullivan
Mike Synowicki

Chase's team beat the bank's team. All five members of Warren's team finished – eventually. Thus, the Actuarial Science Fund at the Foundation received a \$125 donation.

Thanks to current students, alumni and ringers!

“Summer time and the living is different!”

For those of us who teach, summer provides a different schedule than during the school year.

After wrapping up the school year with a few review classes and supervising some of the preliminary actuarial exams, the summer was an interesting mixture of activities:

1. weekly review sessions for the August exam P
2. trips to celebrate a godchild's confirmation, family weddings and a Cubs game!
3. helping to serve food to homeless and with the 5th-6th grade Bible School (Mary was shocked)
4. business trips for SOA and other Board meetings

From July 13th until August 8 was particularly adventuresome: first to St. Louis for our son Andy's wedding to Heather Herweck in St. Louis on July 15, returning to Lincoln on July 16; leaving on July 18th on our 35th Wedding Anniversary trip to Bavaria and Austria to hike in the Alps with the Sierra Club; returning to Lincoln on July 30th and leaving on August 2nd for a meeting in Minneapolis, returning to Lincoln on August 6; and finally having a medical procedure on August 8th, which will slow things down for a bit.

Now I'm looking forward to the start of classes August 21st (even though I haven't yet prepared class notes using a new text for the Financial Math (formerly Interest Theory) class!).

Actuarial Science Club T-Shirt Order Form

UNL
 $\bar{A} \subset \tau \mu \alpha \Gamma (I \bar{a}) \mathcal{L}$
 $\int c(i) \dot{e}_x \eta \subseteq \Sigma$
 $C | \nu \beta$

Front

Best mind your p_x 's and q_x 's.

Back

Choose a color: Red Light Blue

Choose a size: Youth Large (X-Small)
 Small
 Medium
 Large
 X-Large
 XX-Large (add \$1.25)

These shirts are a great way to show your actuarial pride and let everyone know exactly how nerdy you are! They are 100% cotton and priced to sell at \$8.00 each. Please make checks out to "UNL Actuarial Science Club" and send with your order to:

UNL Actuarial Science Program
CBA 210
Lincoln Nebraska, 68588-0490.

The deadline is **Friday, September 29**

NAME: _____

ADDRESS: _____

e-mail: _____

Phone: _____