

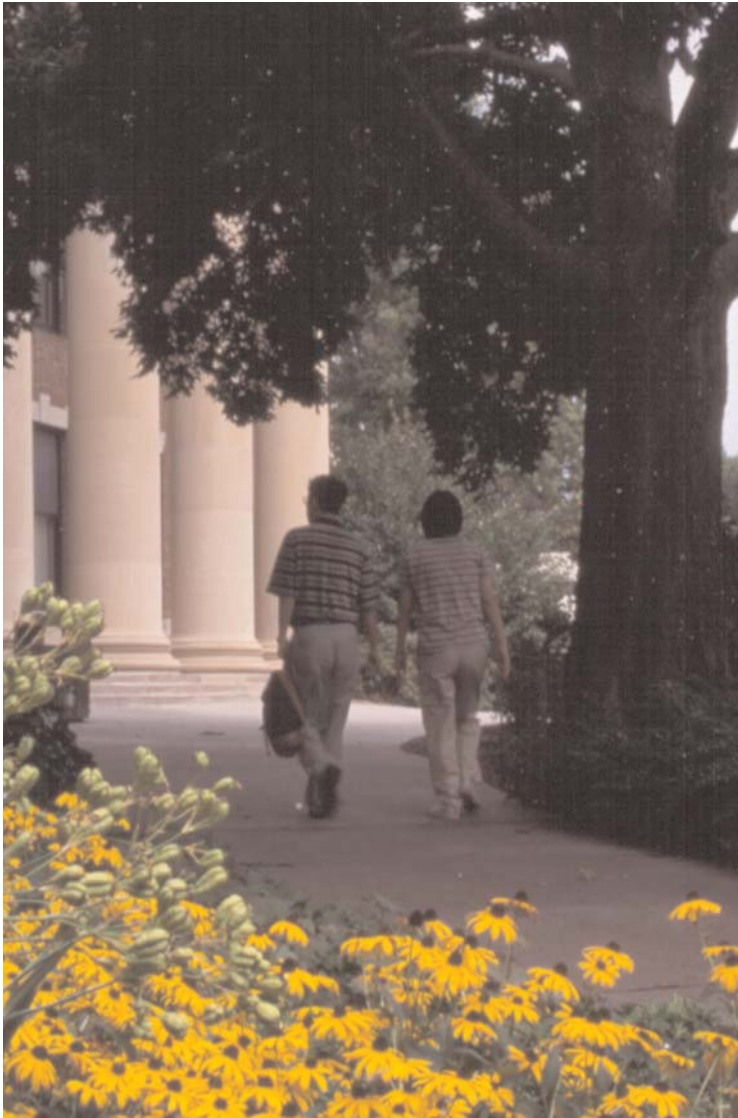
Integrity

Insight

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Pioneering Business Learning and Discovery

College of Business Administration



Actuarial Science Program

Worth A Million!

The Committee for the Chair of Actuarial Science at the University of Nebraska – Lincoln is pleased to announce the “University of Nebraska – Lincoln Actuarial Science Program: Worth a Million!” 5-year fundraising campaign. The goal of the campaign is to raise \$1,000,000 to enhance UNL’s actuarial science program academically, professionally, and administratively. We invite you to participate in the campaign.

UNIVERSITY OF
Nebraska
Lincoln



Actuarial Pricing Class

THE NEED

The Actuarial Science program, although highly successful, is small by most University measures. The program is highly regarded within the University and has strong support by the University leaders, but given its size and the current economic conditions it is unlikely that any increased state funding will be forthcoming in the foreseeable future.

The Chair Committee strongly believes in the importance of a partnership between the actuarial profession and the academic community. The actuarial community and insurance industry in Nebraska were instrumental in starting the program in the 1950s, and the ongoing support of the actuarial community and the organizations throughout the country that actuaries serve has been critical to the continued success of the program. The Committee believes that it is extremely important to now revitalize the relationship between UNL's Actuarial Science Program and the actuarial profession and the organizations actuaries serve.

(Additional detail regarding the history of the UNL Actuarial Science program, as well as the University of Nebraska and the College of Business Administration is in a separate section.)

The two primary goals for the program are to produce well-educated graduates who can make significant contributions to actuarial organizations as well as society in general, and to produce theoretically sound and practical research that contributes to the advancement of actuarial science and actuarial practice.

To achieve those goals, it is essential to provide the resources necessary to:

- ◆ Attract and retain students who have the skills and motivation to succeed as an actuary
- ◆ Educate those students not only with respect to actuarial concepts and applications, but also with respect to what is involved in an actuarial career, especially what it means to be a member of a profession and the requirements to become a member
- ◆ Conduct research activities that advance actuarial science as well as actuarial practice

RECENT ACTIVITY

The Chair Committee and UNL's College of Business Administration have already taken steps to enhance the program by committing to raise the funds necessary to add a third full-time faculty position. Warren Luckner, FSA, CFA, returned to the program as Director on a 5-year term appointment this fall. He was a member of UNL's Actuarial Science faculty from 1977-1986, serving as Director from 1979-1986. He is active as a member of a number of SOA groups, including the SOA Board of Governors and a working group charged with implementing the redesign of the preliminary education system of the SOA. Warren's addition not only strengthens the program's traditional connection to the actuarial profession, but also allows the other two full-time faculty members, Dr. Mostafa Mashayekhi, ASA, and Dr. Colin Ramsay, ASA, to devote more time to their teaching and research activities.

TARGETED ADDITIONAL ENHANCEMENTS

To enhance the program academically, professionally, and administratively, the following specific items have been targeted. Some require financial resources directly; others require financial resources indirectly through additional staff or faculty time.

Academically

1. Implement appropriate curriculum changes to reflect changes in the basic education systems of the Society of Actuaries and the Casualty Actuarial Society
2. Regularly offer problems labs to help students be successful in satisfying the professional examination and other requirements for achieving the professional actuarial designations
3. Review the current Actuarial Science major requirements to streamline the requirements so that they do not turn away the kind of students we would like to attract to the program and the actuarial profession
4. Provide funding of student graders
5. Consider incorporating course content on the mathematics of casualty contingencies, and the funding of social insurance programs
6. Consider how to best incorporate the evolving risk management orientation of the actuarial profession, including emphasis on enterprise risk management

Professionally

1. Create a library of materials to support students in their preparation for satisfying the professional education and membership requirements
2. Maintain the examination fee reimbursement program
3. Provide grants to fund faculty research or other professional development activities in insurance, actuarial science, or risk management
4. Fund professional memberships for faculty
5. Consider how to best incorporate in the program content regarding an actuarial career and the actuarial profession, including the topic of professionalism
6. Provide support for student actuarial club activities, including a library of actuarial examination study aids

Administratively

1. Undertake activities to enhance recruiting and retaining students: updating of program brochure, mailings to schools and select students (e.g. based on ACT scores), visits to schools
2. Create and maintain an up-to-date student/alumni database of contact information
3. Maintain support for a part-time administrative assistant
4. Regularly distribute a UNL Actuarial Science Program newsletter

The items requiring additional faculty time would be funded through support of the third full-time position as well as retaining the part-time faculty involvement of Sue Vagts, FSA. For the past six years, Sue has made an extremely valuable contribution through teaching interest theory and incorporating actuarial software education in the actuarial pricing course, as well as through her individual contact with students and actuarial recruiters.

HOW YOU CAN HELP

Financial contributions are the primary focus of this campaign. However, individual personal contact has been instrumental in motivating student interest in an actuarial career and the UNL actuarial science program. Current students have been motivated by a relative, by a neighbor, or by a high school teacher. We hope that all of you are able to help in this way, as well as making a financial contribution.

Please feel free to contact any member of the committee if you have any questions about the fund-raising campaign. Feel free to contact Warren Luckner or any member of the committee if you have any questions about the UNL Actuarial Science program.



Approximately 50 students participated in the March 2004 UNL Actuarial Science Club meeting. After food, fun, and games, Warren Luckner discussed the SOA/CAS education redesign.

The Committee for the Chair of Actuarial Science

- ◆ Frederick R. Rickers, FSA, MAAA, Chairman
Senior Vice President and Secretary,
Assurity Life Insurance Company
Tel: (402) 437-4302 Email: frickers@assurity.com
- ◆ Cecil D. Bykerk, FSA, MAAA
Executive Vice President and Chief Actuary,
Mutual/United of Omaha Insurance Company
Tel: (402) 351-2534
Email: cecil.bykerk@mutualofomaha.com
- ◆ David N. Cook, FSA, MAAA,
Consulting Actuary
Milliman U.S.A. Consultants and Actuaries
Tel: (402) 393-9400
Email: david.cook@milliman.com
- ◆ Glen C. Gahan, FSA, MAAA
Consulting Actuary, Silverstone Group
Tel: (402) 964-5400 Email: ggahan@ssgi.com
- ◆ Valerie Lendt, FSA, MAAA
Vice President & Health Actuary
World Insurance Company
Tel: (402) 496-8064
Email: vlendt@worldinsco.com

- ◆ Paul D. Ochsner, FSA, MAAA
Senior Vice President –Finance
Benefit Partners, Jefferson-Pilot Financial
Tel: (402) 361-7495
Email: Paul.Ochsner@JPFinancial.com.
- ◆ Richard W. Vautravers, FSA, MAAA
Senior Vice President and Corporate Actuary
Ameritas Life Insurance Corporation
Tel: (402) 467-7743
Email: dvautravers@ameritas.com
- ◆ David T. Wallman, FSA, MAAA
Senior Vice President
Customer Service and Chief Actuary
Security Financial Life Insurance Company
Tel: (402) 434-9570
Email: dwallman@secmut.com

Actuarial Science Program
Warren Luckner, FSA, CFA, Director
210 College of Business Administration
Lincoln, NE 68588-0490
(402) 472-1981
wluckner2@unl.edu
www.cba.unl.edu

The University of Nebraska was chartered by the Legislature in 1869 as the state's public university and land-grant institution. Founded in Lincoln, the University of Nebraska was expanded in 1968 into a multi-campus state education system under the guidance of a Board of Regents and a central administration. Instruction is organized within individual colleges and schools on each of the four campuses.

The College of Business Administration has a rich tradition in business education. The College is a charter member of AACSB International - the Association for the Advancement for Collegiate Schools of Business. With a student body of approximately 3,000, the College offers nine majors within its five departments. All regular faculty members are terminally degreed and many are nationally and internationally recognized as experts in their fields.

The College of Business Administration Building



Student presentation to business leaders

Actuarial Science Program

Established in 1957 through the financial and advisory support of the insurance industry in the state of Nebraska, the Actuarial Science program was originally a separate program in UNL's College of Arts and Sciences. Today the program is administratively located within the Department of Finance in the UNL College of Business Administration. The program offers BS degrees through both colleges and an MS degree through the Graduate College. The Actuarial Science program's original role and mission was to provide well-trained and highly motivated actuarial science professionals for Nebraska insurance companies. Over the years, the program expanded and earned a national reputation as one of the best aca-

ademic actuarial science programs in the country. As a result, insurance companies and consulting firms from across the United States aggressively recruit UNL actuarial science students and provide financial support to the program. Currently, forty-seven years after the inception of the program, approximately 125 undergraduate and 30 graduate students are enrolled as actuarial science majors.

The strength of the program has been its solid academic core reflected in its curriculum, its faculty and its graduates, and its relationship with the actuarial profession. Since 1957, the courses offered have been revised as necessary to reflect changes in actuarial knowledge, and to provide the best up to date actuarial education possible.



Dr. Mostafa Mashayekhi (left) in Credibility Class and Dr. Colin Ramsay in Pensions Class

The following Fellows of the Society of Actuaries have served on the faculty: Robert E. Larson, Stephen G. Kellison, Cecil D. Bykerk, Warren Luckner, Walter Lowrie, Sam Cox, and Steve Linney.

The two current full-time, tenured faculty members, Dr. Mostafa Mashayekhi and Dr. Colin Ramsay, are gifted and dedicated scholars, highly regarded by their academic peers, and demanding and effective teachers, respected and appreciated by their students. Both are also Associates of the Society of Actuaries. Mostafa's teaching interests include Survival Models, Credibility Theory and Simulation, Forecasting and Stochastic Processes. His research interests include Compound and Empirical Bayes Decision Theory, Credibility Theory, Survival Models and Applications of Stochastic Calculus in Actuarial Mathematics. Colin's teaching interests include Life Contingencies, Risk Theory and



The Program is capably supported administratively by Kathy Schoonover, Administrative Technician and on a part-time basis, Delores Sorensen, Secretary.

Warren Luckner, FSA, CFA, returned to the program as Director on a 5-year term appointment this fall. He previously served as a member of the Actuarial Science program faculty from 1977-1986, and as Director from 1979-1986. He is active as a member of a number of SOA groups, including the SOA Board of Governors and a working group charged with implementing the redesign of the preliminary education system of the SOA. Warren's teaching interests include Theory of Interest and Life Contingencies, as well as the actuarial examination preparation problem labs. His other actuarial interests include Social Insurance and Asset-Liability management.



Sue Vagts and Xiaoping Ding (left) Warren Luckner and Carrington Hartley

Pensions. His research interests include Risk Theory, Pensions and Business Credit Insurance.

For the past six years, Sue Vagts, FSA, has served as a part-time faculty member. Sue graduated from UNL in 1988 with a major in mathematics and minors in actuarial science and business. Following graduation, she worked in the insurance industry for eight years in individual life and annuity product development. Sue has made an extremely valuable contribution through teaching interest theory and incorporating actuarial software education in the actuarial pricing course, as well as advising students, and promoting actuarial science on campus.



Participants in the program have traditionally had high success rates on actuarial exams, and have been sought after by leading employers of actuaries. Many have become leaders in the profession, including Barbara Lautzenheiser, current President of the American Academy of Actuaries, and Steve Kellison, President-Elect of the Society of Actuaries, who received a 2004 UNL College of Arts and Sciences Distinguished Alumni Award.