



# IAA Council Webinar

April 5, 2017

8:00-9:00 EDT

Repeated at 15:00-16:00 EDT

# Welcome!

## Opening Remarks by President Tom Terry



1

The purpose of this webinar is to preview certain topics that we will discuss at our in-person Council meeting in Budapest on April 22

2

We will not do a roll call of participants. The attendance list and recording of webinar will be sent afterwards

3

We will set aside 5 or 10 minutes at the end for questions or comments. Please use the WebEx Question & Answer facility for this.



# Background

## Education Syllabus

1. Education Committee approved a new syllabus in 2016
2. Governance issues were raised and discussed
3. FMAs were invited to participate in the education survey



# Background (Continued)

- Related issues
  1. Use and meaning of the term “qualification” in an IAA context
  2. Use of the term “Fully Qualified Actuary”
  3. Basis for allocating IAA dues
  4. Use of the term “accreditation”



# We are recommending a “roadmap”

1. The roadmap acknowledges the excellent work on the education syllabus over the last 2 years.
2. The roadmap addresses several closely related issues.
3. The roadmap is conceptual at this point – there will be details to work out.
4. The roadmap clears the way for us to focus on the exciting challenges ahead.



# Elements of the Roadmap

1. We will adopt a new IAA Core Syllabus
2. We will assure FMAs that qualification to practice is a matter for local, member associations
3. We will stop using the term “Fully Qualified Actuary”
4. We will change the basis for determining IAA dues
5. We will change the name of the Accreditation Committee



# Adopt The New Syllabus

1. The IAA Core Syllabus will be the syllabus approved by the Education Committee in 2016
2. It will be the recommended basis for FMAs to construct their own education programs
3. At the same time, the IAA will recognize that FMAs may have local needs that will lead to deviations



# What Does Adoption Mean?

1. An FMA must have a suitable education program for its actuarial members
2. A suitable education program should either:
  - a. be benchmarked to the IAA Core Syllabus, with coverage of at least 80% of the (41) topics, or
  - b. demonstrate significant alignment with the IAA Core Syllabus while reflecting local qualification requirements
3. The detailed descriptions incorporated in the IAA Core Syllabus (e.g., Blooms taxonomy, the 200+ sub-topics) are intended as a helpful guide to what one might reasonably expect in an education program





# Education Assessment for New Members

1. An association applying for FMA status will be asked to provide:
  - a. a “mapping” of their own education program\* to the IAA Core Syllabus, and
  - b. appropriate rationale for any deviations
2. In addition, an applicant association will be asked to describe their process for assessing candidates for individual actuarial memberships

The Education Committee will perform an assessment based on this input.

❖ or basis used to assess third party education providers



# Education Assessment for Current FMAs

1. FMAs will be expected to:
  - a. perform a “mapping” of their own education program\* to the IAA Core Syllabus, and
  - b. identify rationale for deviations
2. In addition, FMAs will be expected to assess their process for assessing candidates for individual actuarial memberships

This is a self-assessment done by the FMA

❖ or basis used to assess third party education providers



# What's New?

1. We want FMAs to acknowledge completion of their self-assessment
2. We want to encourage FMAs to provide feedback to the Education Committee. For example:
  - Lessons learned from the mapping process
  - Reactions to the IAA Core Syllabus; ways of improving it going forward
  - Education challenges locally; how might the IAA be of assistance?
  - What is working? What is not working?
3. We envision a free flow of information, ideas, advice, etc., between our FMAs and the Education Committee



# Role of the Education Committee

1. To maintain a forward-looking Core Syllabus as a basis for helping FMAs construct and improve their own education programs
2. To promote an environment that encourages leading edge education among FMAs
3. To facilitate ongoing “two-way” flow of information related to education developments and innovations
4. To create a venue for sharing successes in actuarial education
5. To help promote the reputation of actuaries world-wide as members of a highly educated profession



# Qualification to Practice is a Local Matter

1. We believe qualification to practice in a jurisdiction should reflect local circumstances: laws, regulations, public interest considerations, commercial and societal needs, etc.
2. Therefore, it follows that qualification to practice in a local jurisdiction is not a matter for the IAA to decide



# We will stop using the term “FQA”

1. Fully Qualified Actuary (FQA) is a term that is understood and used inconsistently among FMAs
2. The IAA’s use of the term FQA conveys the mistaken impression that the IAA defines “qualification.” (We do not!)
3. Eliminating IAA use of the term FQA will avoid confusion
  - Member associations can and should use this term for their own purposes if they desire



# We will change the basis for determining IAA dues

1. Until now, we have allocated IAA dues according to the number of FQAs
2. We believe the new basis should be:
  - Fair and consistent
  - Simple to understand and administer
  - IAA budget neutral
3. A possible “straw man” basis:
  - Dues-paying “actuarial members” of the FMA
  - Excluding any pre-credential “student-only” individuals



# We will change the name of the Accreditation Committee

1. The name “Accreditation Committee” is misleading
  - The IAA is not an accrediting association
  - The IAA does not accredit member associations
2. The term “Membership Committee” more accurately reflects the role of this committee
3. Of course, we will continue to have 2 levels of membership
  - Full members (our FMAs)
  - Associate members





# Next Steps

1. These recommendations are "high level"
  - Some additional details need to be worked out
  - Some changes to Internal Regulations will be required
2. We will review the roadmap again in Budapest
3. Assuming broad support for the roadmap,
  - we will work on the details and recommend more specific changes and amendments to Internal Regulations, and
  - we will bring these to an electronic vote in the next 3-4 months



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**Thank you!**

