

Actuarial Education Criteria in a Country with Multiple Systems of Actuarial Education

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AMERICAN ACADEMY *of* ACTUARIES

American Academy of Actuaries: Principles of Formation

- Provide a single national voice for actuaries
- Apply consistent concepts of professionalism to ALL U.S. actuaries
- NOT replace any existing actuarial organization



Implications of the Principles

- Relatively broad membership criteria
- A concept of Qualifications to Practice that is independent of Membership



Original Educational Criteria

- The criteria of the four founding organizations were used
- Two of these organizations had formal actuarial education systems; two did not



Subsequent Changes to the Educational Criteria

- One of the founding organizations ceased operations
- ERISA became law, and with it the “enrolled actuary” concept
- Another organization (ASPA) became part of the process
- Other groups were identified



Qualification Standards: Their Effect on Actuarial Practice

- Link to the Code of Conduct
- Qualifications depend on:
 - ◆ Basic education
 - ◆ Experience
 - ◆ Continuing Education



Implications of Qualification Standards

The discipline process

Federal law - ERISA

State law



Actuarial Education - theory vs. practical applications

- Many things an actuary does, though grounded in theory, depends on the structure of laws and regulations
- These are country-specific and practice-specific
- They also change over time



Effect on Qualification Standards

- Basic education - specify both the theoretical and the practice-based education required to practice
- Experience - require task-based experience under the direction of a qualified actuary
- Continuing education - require that practice-based education be kept current



Implications of the structure

- Depend on other actuarial organizations
- Identify gaps and find ways to fill them
- Recognize the effects of governing law; work within the laws to assure that qualification standards are reasonable

