

ACTUARIAL SCIENCE UPDATE

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This is the fifth in a series of annual articles describing the status of the Department's Program in Actuarial Science. During the 2002-03 academic year there have been a number of interesting developments affecting our students, faculty, curriculum, and, eventually, the future of the Program.

A. The Students

At the beginning of the Spring 2003 semester there were 78 undergraduate majors in Actuarial Science and another 40 to 50 graduate students with a concentration in Actuarial Science. The healthy enrollment numbers led us to offer several of our core courses in multiple sections for the first time.

Undergraduate scholarship support totaling \$80,500 was awarded to 36 students designated as Actuarial Scholars. The funds supporting these scholarships were contributed by the 17 employers who constitute our Corporate Partners group. All three of these figures are all-time highs.

Our graduating students who have passed at least one of the SOA/CAS professional qualification exams continue to be actively sought after by actuarial employers, for both summer internship positions and full-time positions following graduation. However, the increasing supply of graduates seeking employment, coupled with the economy-related decline in positions available, has led to greater difficulty in finding employment for students without credit for any of the exams.

During the Spring 2003 semester the Actuarial Science students voted to disband their local fraternity, Phi Sigma Alpha, and to replace it with the Xi Chapter of Gamma Iota Sigma, a national fraternity for students in Actuarial Science, Insurance, and Risk Management.

B. The Faculty

Our core faculty group remains at five, with two full-time members (Jim Bridgeman and myself), Chuck Vinsonhaler, and two adjuncts (Jay Vadiveloo and Keith Holler).

Chuck will be completing his service as Head of the Mathematics Department at the end of the Spring term, and we are enthusiastic about having more of his time and energy now being directed to the program that he founded more than twenty-five years ago.

Jim has taken on the administrative duties of Director of the new Professional Master's in Applied Financial Mathematics, and has agreed to succeed me as faculty advisor to the new Gamma Sigma Iota chapter.

Jay has completed an arrangement with his primary employer, the consulting firm of Deloitte and Touche, to establish a Center for Actuarial Studies and Research that will be associated with our Department. The Center is expected to provide research opportunities for our graduate students, as well as to bring some additional financial support to our Program.

In October 2002 I began a two-year term as one of the Vice Presidents of the Society of Actuaries, with responsibilities for certain aspects of the Society's educational efforts. In particular I will chair a

committee exploring ways to enhance the academic infrastructure of the actuarial profession, intended to lead, in the near future, to a greater recognition of Actuarial Science as an academic-based profession. In turn, we are hopeful that as Actuarial Science evolves as an academic discipline, the University of Connecticut will come to be recognized as having one of the leading programs in the field.

C. The Curriculum

No curriculum changes have occurred in the past several years, after we did a modest redesign in 2000 to conform the content of our program to changes made in the professional educational curriculum by the Society of Actuaries and the Casualty Actuarial Society. However, the winds of change are blowing again, and it is anticipated that the two societies will suggest several small changes, to be effective in 2005 or 2006. As the details on these changes emerge, we will examine our program to see what changes, if any, we feel should be made to remain up to date in this dynamic field of stochastic financial risk management.

D. The Future

Each of the previous articles I have written for Math CONNections has concluded with a look ahead to the future. Where do we want our program to go, and what should we be doing now to bring it there?

Our full-time faculty is, alas, aging. We need to immediately begin a search for two new faculty members who are young in spirit, enthusiastic, and committed to the actuarial profession.

They should be good teachers but should also be capable of contributing to the evolution of the science as our profession moves toward embracing this view of the discipline.

We also need to broaden our view of the employment opportunities for our graduates, beyond the traditional areas of insurance and pension, to include the related fields of stochastic finance and enterprise risk management. (See my introduction to these ideas in the Summer 2002 issue of this publication.)

As ever, much has been accomplished, and much remains yet to be done.