

## CHAIRPERSON'S LETTER

The Actuarial Board for Counseling and Discipline (ABCD) conducted its regular activities in 2010 and also embarked on several procedural improvements and outreach initiatives.

With regard to regular activities in 2010, the ABCD handled 98 cases, 55 requests for guidance (RFGs) and 43 inquiries. It provided guidance in response to the 55 RFGs and closed 22 inquiry cases. Of the closed inquiry cases, none were resolved with mediation. A chart showing the number of cases handled by the ABCD, including inquiry cases and RFGs, since its inception in 1992 is included in this report.

'Cases' refers to the combination of RFGs and inquiries.

RFGs are supportive communications between requesters and the ABCD. The most common RFG is between a requester and an individual ABCD member. The ABCD member provides a professionalism ear to the issue posed by the requester and then guidance. Individual RFGs are kept confidential. Occasionally, a written request is submitted to the whole ABCD with the intention of disseminating guidance to the profession broadly. This type of RFG and the ABCD response are carefully vetted. Both the RFG and the ABCD response are published so to advance professionalism of all actuaries. I am pleased to announce that a written RFG and full ABCD reply will soon be published. A summary of the kinds of issues raised in RFGs that are handled by the ABCD is included in this report.

Inquiries are complaints submitted for ABCD consideration. Not all complaints lead to an investigation and/or result in a hearing. When appropriate, the ABCD provides mediation services to help resolve the professionalism issues. For complaints that are subject to investigation and a hearing, the ABCD conducts the hearing, deliberates, and either dismisses, counsels, or recommends a level of discipline to the subject actuary's organization(s). The ABCD does not administer discipline.

With regard to procedural improvements initiatives considered during 2010, the ABCD worked on:

- content of our post-hearing findings and recommendation letters
- content of our dismissal letters to complainants and subject actuaries
- memorializing debriefing outgoing members so to capture their thoughts and ideas
- providing a half day training for incoming members

With regard to outreach initiatives during 2010, the ABCD:

- created, and assigned to an ABCD member the upkeep of, a thorough RFG issues summary spreadsheet
- had idea sharing joint meetings with the Council of US Presidents ("CUSP") about the components of their proposed joint disciplinary system revisions

- designed, and assigned to an ABCD member the upkeep of, a spreadsheet to record information regarding past inquiries to help establish discipline guidelines for any revised disciplinary system
- gathered and assessed CUSP's and other actuaries' feedback about transparency of ongoing ABCD cases expectations and/or concerns and determined we could:
  - put our quarterly reports to CUSP on our website
  - suggest that organizations link to or publish our reports on their websites
  - compose "Up to Code" articles about transparency and/or high profile cases
- performed complete review of our website and is working with the Academy web staff to implement user-friendly and additional enhancements
- continued to offer timely and thought provoking "Up to Code" articles in Contingencies
- continued existing speaking engagements and pursued additional opportunities for ABCD presentations
  - the ABCD spoke in at least 25 formal settings during 2010

At the conclusion of 2010, ABCD members Linda Bell, Richard Robertson and I completed six years of service. We all felt that being an ABCD member is vital to caring for the professionalism concerns of our industry. The service is both rewarding and at times gut wrenching. We hope that all nominated actuaries will affirmatively answer the call to ABCD duty. We leave the ABCD knowing that our replacements will serve you well. They are Nancy Behrens, Janet Fagan, and Kathy Riley.

For 2011, CUSP appointed Curtis Huntington to serve as Chairperson, assisted by Paul Fleischacker and Robert Rietz as the two Vice Chairpersons.

Being an actuary has been the best career choice I could have made. Having a strong professionalism base and vibrant discipline system that works is a major reason that actuarial science is among the most respected professions. Thank you to all actuaries for caring enough to approach your job with and to support unparalleled industry-wide professionalism.

Carol R. Sears  
 2010 ABCD Chairperson  
 January 2011