

January 8, 2018

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Subject: ASB Transparency

Dear Sirs:

I encourage the presidents of the five US-based actuarial organizations to ensure complete transparency of the Actuarial Standards Board ('ASB') on behalf of their members and the public. Such transparency should include

- Open ASB meetings,
- Publication of ASB committee meeting schedules, and
- Posting of ASB minutes on the ASB website.

Open Meeting Concerns

I decided that I wanted to educate myself about the ASB process. In December 2017, I attended one day of an ASB meeting in Washington DC as an observer. It was a positive and an extremely educational experience. While at that meeting, I learned there was an ASB planning meeting February 1-2, 2018¹.

On December 21, 2017, I reached out to the ASB Academy staff liaison about attending the ASB's planning meeting. I did not receive a response, so I contacted the staff liaison again in early January 2018. I was advised via email that the ASB planning meeting was not open to the public. This is inconsistent with the ASB procedure manual which provides that **all** ASB meetings are open to the public.

¹ The planning meeting does not appear on the schedule of ASB meetings as published in the ASB Boxscore.

The current ASB manual² provides:

All meetings of the ASB are open, and members of the actuarial profession and the public at large are invited to attend and observe the proceedings. Reasonable seating accommodations for observers who have notified the ASB staff at least ten days in advance of the meeting of their intent to attend are to be made available in the meeting room.

And, it is just plain bad policy for the ASB to have meetings that are closed to the public. Actuaries and the public have an interest in understanding what the ASB is considering and planning.

ASB committee meetings are also open to the public.³ But, I cannot find a published schedule of these meetings.⁴ So, it is difficult to know when ASB committees are meeting. Given the importance of ASB committee and task force work, a schedule of such meetings and conference calls should be published at least twenty-one days in advance so that interested parties may observe.

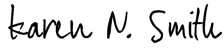
Lastly, the ASB minutes should be posted on the ASB website. Via email, I have asked the ASB staff liaison if ASB minutes are available to the public. I have not received any response. In the interest of transparency, these minutes should be publicly available. This will provide further insight into both standard setting and the thought process of the ASB.

Conclusion

These simple changes would promote transparency in the standard setting process. I understand that it would be improper for actuarial organizations to interfere in ASB deliberations. However, it is imperative to ensure that the actuarial standard setting process is transparent and open to all actuaries and the public.

My comments represent my personal views and not those of any actuarial organization to which I belong. I understand that you are all incredibly busy, and I thank you for your consideration of my letter. I am available to provide any additional information you request, but I do not expect a reply.

Sincerely,

DocuSigned by:

15F9AE9E3C0945C...
Karen Smith

Copy: Beth Fitzgerald, ASB Chair, BFitzgerald@iso.com

² Actuarial Standards Board Procedures Manual (revised June 2017) Section I E 2. The ASB Manual does contemplate the need for executive sessions, but not the possibility of non-public meetings which do not appear on the ASB's official schedule. See Id. Section I E 3.

³ Id at Section II G

⁴ It is required that the ASB (Id at Section II E4) publish its meeting schedule, but this is not required of ASB committees.

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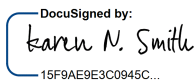
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