



Summer 2010

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[ACOPA Advanced Actuarial Conference](#)

June 10-11, 2010

Millennium Knickerbocker
Chicago, IL

[ACOPA Actuarial Symposium](#)

August 13-14, 2010

Wynn Hotel
Las Vegas, NV

Message from the President

Hello, fellow actuaries!

It's almost that time of year again. No, not Schedule SB's...it's election time! One thing that makes ACOPA slightly unique from ASPPA is that we elect our Leadership Council more directly. I know that many of you probably don't give much thought to what the Leadership Council does. You should, since these ACOPA leaders make decisions that affect you. In other words...THIS IS IMPORTANT. If you or someone you know is looking to get more involved, then you need to take advantage of the Board nominations that will open up on June 14. This is an amazing opportunity and I expect many of you to take advantage of it. It doesn't matter if you don't win the first time out...sometimes (as in life) it takes more than one try before you succeed. I am very hopeful that we'll have more nominees than the number of available board positions.

Once the nomination process is over, you'll have about 30 days to cast your votes. It couldn't be any easier. When the election commissioner (Past-President Mike Preston) tells me the percentage of our membership that took the time to cast a vote I'll be VERY disappointed if we fall under a 436 restriction! Seriously, the process of electing our leaders to serve our profession is something that I hold very dear; you should, too. If you know of a good candidate, talk to them about their willingness to be nominated. When you receive instructions on how to vote take the time to do so. It would mean a lot to the current leadership to know that ACOPA members care enough to cast a vote – and it would move your profession forward.

Please contact me if you have any questions about what is involved.

Best wishes,

Mary Ann Rocco, MSPA
mrocco@earthlink.net

Regulatory Issues

Here are some recent GAC updates:

We plan to meet with the “regulators” (IRS, DOL, PBGC) each June (and more often, if needed). This allows us to represent your (actuarial) issues directly and effectively. Check out the [ASPPA website](#) for more issues that GAC has been working on.

We have requested a meeting with PBGC. We hope to discuss their (odd) reaction to forms filed using the alternative calculation method but which did not check off that box. We also intend to update them on issues with their post-termination plan audits. While we’d like to discuss their proposed regulation with them personally (no more waivers of reportable events if a quarterly payment is missed), they feel that this discussion is inappropriate because public comments were requested and are now being considered. We’ll continue to update you.

ASPPA is still pushing hard for DB funding relief. Hopefully we can navigate the politics and get something meaningful before 9/15/10 (for 2009).

ASPPA recently got a “win” on credential-sharing (to make it easier for you to assist clients in 5500 e-filings), and we are also requesting a blanket extension for all 5500 forms this year.

Be aware that “mass-produced” DB documents are due 4/30/12 and good luck with that (!).

This cool stuff does not happen by accident! If you would like to become involved in commenting on regulations like these, please contact Mark Dunbar, Chair of the Government Affairs Committee Defined Benefit Subcommittee at mdunbar@dbzinc.com.

ACOPA Needs Your Help!

A brief update from Joe Nichols, our volunteer coordinator:

Did you know that it is ACOPA’s responsibility to place more than 40 direct volunteers for ASPPA committees, 30 for the Academy, 15 for the Joint Board Exams, and more than 60 for ACOPA committees? All told, ACOPA is in need of at least 150 member volunteers to help sustain our reputation as one of the five recognized actuarial organizations in the U.S. Most of the committee appointments require quarterly conference calls with relatively small time commitments. It’s also a great way to network with other actuaries. There is also a need for help on one-time projects. Want to write an article, plan a conference, or write exam questions? There are many ways to help.

If you are interested in volunteering, please send an e-mail to Joe Nichols at Joe@dbdcplans.com. Remember that ACOPA and ASPPA would not be

able to provide such excellent education and support without our volunteers. To all our volunteers, THANKS! To those thinking about it, please do. It is a great way to help your profession and career – it can be fun too!

Save These Key Dates

ACOPA will again be having two conferences in 2010:

The [Advanced Actuarial Conference](#) will be in Chicago, on June 10-11, 2010. This is similar, in format, to the conferences that ASPPA had been presenting in Boston. There will be several sessions and speakers offered for your education and enjoyment.

The annual [Actuarial Symposium](#) will take place in Las Vegas (Wynn!), August 13-14, 2010. This “symposium” approach allows for all attendees to hear (and discuss) the same presentation at the same time, and allows for a more in-depth discussion of the issues.

Registration for both conferences is now open. See you there!

Karen on the Hill!

Karen Smith, MSPA, testified recently before the Joint Board on their recently-proposed regulations. Here is a quick interview on her experience of testifying:

Editor: Karen, what was the gist of your testimony?

Karen: We are seeking greater clarity in the proposed regulations. We support a high level of ethical standards for an Enrolled Actuary, but we were concerned about a lack of clarity in those regs.

Editor: What were some of those concerns?

Karen: We were concerned about the proposed “snitch” clause, that makes the current Precept 13 look wimpy. The proposal calls for an EA to report any perceived violation of another EA, without taking ABCD into account, and without trying to first work it out with the other EA. We were also concerned about the vague notion of following “generally accepted actuarial principles”, which term is not defined. Does this refer back to Academy Standards? We don't know.

Editor: What other areas did your testimony cover?

Karen: We felt it important that the continuing education rules keep up with technology. Although there was some progress on this in the proposed regs, we suggested that they go further. In addition, we did not understand their rationale for reducing the number of core hours, and we discussed this, as well.

Editor: Was this a fun experience for you, Karen?

Karen: Absolutely! It was very rewarding. ASPPA staff (Judy Miller) provided tremendous assistance in preparing me. I was also impressed by the thoughtfulness of the questions from the JBEA. They really seemed to care.

Activity on the ACOPA Message Board...

This is a valuable ACOPA member benefit. You can read what other actuaries are saying about current issues and problems that they are encountering. (plus some "lighter material", as well) But remember, ACOPA is a participatory organization – feel free to post your own issues here as well. While not guaranteed, you are likely to get a response. Remember, too, that this is not limited to only DB topics, as several DC-related issues have appeared. Some of the recent issues discussed include:

- "Deemed burns" of credit balances and why they are upsetting some ACOPA members
- Is it difficult to do a corrective amendment to fix a "benefits, rights, and features" problem retroactively?
- Are other Members also getting those nasty-grams from the IRS about not attaching a copy of the approved extension to the 5500 form?
- Are some plan document providers creating a "minimum gateway" of 7.5% for DB/DC combo plans when perhaps a lesser amount is needed?
- What do we think about the new credential-sharing relief granted by the DOL? Are we concerned about clients' signatures being posted on the internet? See what strategies some actuaries are considering.
- Why are some ACOPA Members making fun of others? (this is not all heavy lifting!)

If you want to have access to this important resource, the link to join the listserv is:

<http://www.asppa.org/Main-Menu/partners/ACOPA/ListServe.aspx>

Note that this is in the members-only section.

Update on Actuarial Continuing Education Rules

Reminder: the new continuing education requirements are in effect for actuarial members of ASPPA. These requirements apply to ASPPA actuaries even if they are not a member of any other professional organization. Many enrolled actuaries are exempt from the higher levels of continuing education, but depending on the exact nature of your practice, you may not qualify for the exemption. If you have not already done so, please review the Qualification Standards effective January 1, 2008. With all of the legislative and regulatory changes, many actuaries will satisfy the annual requirement without too much trouble. But don't forget to track your self-study hours and don't forget the professionalism requirement!

Odd Question(s) of the Day

Do you feel that the lack of discretion on actuarial assumptions and methods set forth in PPA is an indictment of the actuarial profession? If Congress had thought that we were playing by the rules, then why did they take this discretion away? Did we fail to police ourselves? Or, as some believe, do we actually have more responsibility under the new rules?

In another vein, at a recent session, I heard the IRS complain about (what they call) "\$50 actuaries", who will apparently sign any Schedule SB for that sum. Is there anything our profession can do about this? Are there any implications for us?

I'd love to hear your views on this – please drop me a line!

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