

December 2005

Dear Fellow Actuarial Science Alum:

As a successful graduate of the University of Wisconsin-Madison Actuarial Science program, we need your support right now to ensure the continuation and maintenance of its premier status. For the first time we are personally reaching out to 400 of our alumni who have achieved professional Actuarial designations. If we don't act now, the very continuation of the program beyond the next 5 years is potentially at risk and the status of our program will certainly be lost.

The Actuarial Science program is currently one of the premier programs in the country. Our faculty members are both Fellows of the Society of Actuaries. Our alumni include over 300 Fellows of the Society of Actuaries and the Casualty Actuarial Society, as well as over 150 Associates of these societies. However, this status is at risk if we do not act to support our program. The program typically has 30 undergraduate and five masters' students each year, and is now being run with just one and three-quarter faculty FTEs. Jed Frees has a full time appointment and Margie Rosenberg has a three-quarter-time appointment. You may be aware that Professor Jenny Young left the department in 2003 when the University of Michigan offered her a \$2 million endowed chair, which provides additional research, graduate assistant, and summer salary support, in addition to the base salary support provided by tuition and general tax dollars. Due to continuously declining state support in the UW-Madison budget, her position was not filled.

The department currently has two modestly endowed faculty support funds, both of which have market values substantially below the current threshold, \$1.5 million, for a newly created Chair. The Hickman/Larson Chair, named after retired Professor and Emeritus School of Business Dean Jim Hickman, and program founder, Professor Bob Larson, was created in 1991 with gifts from department alumni. The current market value of this fund is \$300,000. In contrast, our companion program in Risk Management and Insurance has three endowed faculty support funds valued in excess of \$1 million. We can and must increase the Hickman/Larson endowment to at least \$1.5 million to keep our outstanding professors, in the face of increasing competition from rival programs.

The UW-Madison, in partnership with the UW-Foundation, is in the midst of a fund raising effort, known as *Create the Future: The Wisconsin Campaign*, with a campus wide goal of \$1.5 billion. This ambitious goal was recently met, but within that broader effort, the School of Business has a goal of \$120 million, with over \$91 million raised to date. All gifts/pledges to the Hickman Larson fund will count toward this goal.

To raise an incremental \$1.2 million, we will need the support of as many alumni as possible. We hope that you will join us in making a multi-year pledge to support the Hickman/Larson fund. Some suggested giving levels and a pledge card are enclosed. We are poised to take this program to a new level of excellence, but we need your support to reach our goals.

Together we can help to *Create the Future* for both Actuarial Science and the School of Business.

ON WISCONSIN!

Dale Gifford, FSA, Class of 1972
Chairman & CEO, Hewitt Associates

Rod Rohda, FSA, Class of 1964
Retired CEO, Fidelity Investments Life

Don Schuette, PhD, ASA
UW Act Sci Professor Emeritus