

# The Joint Board for the Enrollment of Actuaries *Revealed*

By Sally J. Zavattari, FSPA, CPC

**What is the Joint Board for the Enrollment of Actuaries?** ERISA created the Joint Board for the Enrollment of Actuaries (JBEA) to develop and oversee the process by which a person becomes an Enrolled Actuary. ERISA also created the Enrolled Actuary (EA), an individual who is qualified (under JBEA guidelines) to perform certain calculations with respect to defined benefit plans. ERISA also requires the JBEA to oversee the continued qualification of EA's to perform the actuarial functions required under ERISA.

**What does the "Joint" in Joint Board stand for?** "Joint" refers to the joint jurisdiction which ERISA granted to the Departments of Labor and Treasury over retirement plans. The Joint Board is made up of Department of Labor and Treasury representatives appointed by their respective agencies, and is administered by an Executive Director. For the last few years, a representative of the Pension Benefit Guaranty Corporation, which insures the benefits of workers covered by defined benefit plans, has also been an ex-officio member of the JBEA.

**How does the JBEA determine if an individual is qualified to become an Enrolled Actuary?** The JBEA oversees the administration of a series of three examinations which an individual must pass in order to be enrolled as an actuary. In addition, three years of responsible actuarial experience is required. Once a candidate has passed the examinations, the candidate must submit an application to the JBEA, which must include information on the experience the candidate has had in performing responsible actuarial work.

**Do the members of the JBEA create the examinations?** No. The JBEA has appointed an Advisory Committee to actually prepare the examinations. The Advisory Committee on Actuarial Examinations is made up of Enrolled Actuaries who are representatives of ASPPA and the Society of Actuaries (SOA). A cross section of actuaries with both large and small plan experience is maintained so that the examinations reflect the skills necessary for the defined benefit marketplace. ASPPA and the SOA each submit candidates to the JBEA for their representatives and the JBEA selects those candidates with the skills and qualifications needed on the Advisory Committee. The members of the Advisory Committee select one member to act as a coordinator.

**How are the EA examinations written?** An examination committee is established for each examination. Each examination committee has a Chair and Vice-Chair, which usually alternates between an ASPPA and SOA member. The examination committee members are volunteers from ASPPA and the SOA who write and perform a preliminary review of the questions to be submitted to the Advisory Committee for each examination cycle. Once the examination committee has prepared as many as double the number of questions needed for the examination, the Chair and Vice-Chair submit the questions to the Advisory Committee. The Advisory Committee performs an extensive review of the questions and solutions submitted, and selects those questions to be used on the examination. The question selection process involves a blueprint which has been developed for each examination, to ensure coverage of the topics outlined in the

examination syllabus.

**Can I volunteer to be an item writer on an examination committee?**

YES. You can contact Sally Zavattari, FSPA if you would like to be an item writer. You must be an enrolled actuary in good standing. The examination process starts with a conference call for the examination committee with the Chair and Vice-Chair. Topics are assigned to each member of the committee, as well as an “exchange” partner. You will submit the completed questions (and detailed solutions) to your assigned partner for review, and receive her/his questions for review. Once the initial preparation and review is completed, the examination committee will meet to review and rewrite all of the questions to be submitted to the Advisory Committee. You will receive core CPE credit for your work on the examination committee.

**What does the Advisory Committee do with the questions submitted by the examination committees?**

Because ERISA and the promulgations by the various government agencies are so complex, the Advisory Committee performs a thorough review of the questions submitted by the examination committees for each examination, before selecting questions to be used. The Advisory Committee has two 2-day meetings and two 1-day meetings each year for this purpose.

**What happens after the Advisory Committee has selected the examination questions?**

Because ambiguities and errors can occur even after this rigorous preparation and review process, after the Advisory Committee has selected the final questions to be part of the examination, a mock “test” is conducted using volunteers appointed by ASPPA, the SOA and JBEA. These volunteers take the actual examination which will be given to

enrollment candidates, and submit comments on the questions to the SOA and ASPPA. These “pretesters” meet with representatives of ASPPA, the SOA, JBEA and the Advisory Committee after taking the examination to review the comments and work out any ambiguities or other problems.

**What other functions does the Advisory Committee perform?**

The Advisory Committee makes recommendations to the JBEA on the content and subject matter of each examination, as well as the pass mark to be set for each examination. The Advisory Committee also assists in developing the Syllabus and Reading List for each examination in conjunction with representatives of ASPPA, the SOA and IRS.

**How do I apply to become a member of the Advisory Committee?**

When there are openings on the Advisory Committee, the JBEA requests nominations from ASPPA and the SOA. Since familiarity with the examination process is helpful, ASPPA nominations are often made from members of the examination committees. You may contact Robert L. Long, APM if you would like to be considered for a nomination on the Advisory Committee. The JBEA actually selects the members of the Advisory Committee, not ASPPA or the SOA.

**Is ASPPA's involvement in the enrollment process limited to having representatives on the Advisory Committee and examination committees?**

No. Because ASPPA has a large actuarial membership, ASPPA also sends two representatives to the Advisory Committee meetings where the examination pass marks are set and the syllabus and reading lists are updated to oversee the interests of ASPPA's actuarial members. The liaisons also attend the pretester meetings. The current

representative is Sally J. Zavattari, FSPA. ASPPA is currently accepting applications to fill the open representative position.

**What other responsibilities does the JBEA have?** In addition to ensuring the initial qualification of candidates who are to be enrolled, the JBEA is responsible for continued qualification of Enrolled Actuaries. One way the JBEA does this is by requiring continuing professional education (CPE) for all Enrolled Actuaries. Every third year, every EA must submit an application to the JBEA to renew her/his enrollment number. Part of the application process is substantiating that the individual has satisfied the CPE requirement for the three year cycle. (Note that you will receive core CPE credit for volunteer work on an examination committee, the Advisory Committee or as a pretester.) The JBEA selectively audits the applications to ensure compliance with the CPE requirements. The JBEA is also responsible for enforcement in cases where failure of an actuary to discharge her/his duties under ERISA has occurred.

**Help Wanted:** ASPPA Liaison needed. Two 1 1/2-day meetings per year (January and June) and one 1-day meeting for the examination pretesting. Hobnob with the best and the brightest in the actuarial field, as well as IRS and DOL representatives. Preparation time for each meeting is 4 to 8 hours, depending on the meeting. Three meetings a year in Washington, DC. If interested, please contact Robert L. Long or Catherine Williams.

Sally Zavattari, FSPA, CPC, is president of Actuarial Services Group, Inc., an actuarial and retirement benefits consulting firm in Dallas, Texas. She has been in the employee benefits field for 28 years, and has served on ASPPA's Board of Directors and many committees. She is an enrolled actuary, but her practice includes all types of retirement plans, including defined benefit, profit sharing/401(k), money purchase, ESOP, 403(b) and 457 plans. She is a past president and currently serves on the Board of Directors for the ASPPA Benefits Council of Dallas/Ft. Worth. ([sally@asgpension.com](mailto:sally@asgpension.com)).

**Joint Board for the Enrollment of Actuaries:**

Patrick McDonough, Executive Director  
Lawrence E. Isaacs, IRS  
Lawrence J. Heberle, IRS  
Michael Roach, Office of the Assoc. Chief Counsel/TEGE  
Rudy Nuissel, DOL  
Zenaida Samaniego, DOL  
Emmett F. Williams, DOL (Alternate)  
Joan M. Weiss, PBGC  
Paulette Tino, IRS (recently retired)

**Members of the Advisory Committee:**

Janet Eisenberg, MSPA (ASPPA)  
Larry Deutsch, MSPA (ASPPA)  
David Ziegler, MSPA (ASPPA)  
Pamela Marlin (SOA)  
Ann Gineo (SOA)  
Hal Tepfer (SOA)  
Carolyn Zimmerman (SOA)  
Ho Kuen Ng (SOA)  
Carl Shalit (SOA)

**Additional Help Wanted:** A notice has recently been published in the Federal Register to give notice that positions are open in the Advisory Committee. Candidates who would like to be considered for appointment to the Advisory Committee should contact Robert L. Long, APM or Catherine Williams. Information on your experience in professional volunteer or educational work must be provided.