Actuarial Science, B.S.

Learning Outcomes

Students will:

- be able to bring to bear actuarial, financial, mathematical, and statistical techniques to model and analyze risks, particularly in the context of insurance and pension;
- have the knowledge and analytical ability to pass the initial professional actuarial examinations given by the Society of Actuaries and Casualty Actuarial Society, and develop the skills needed for successful self-study of the advanced professional examinations;
- be skillful in using and developing computer software to solve actuarial problems;
- be able to clearly communicate results from an actuarial analysis to all stakeholders, and write effective reports that describe the analysis and summarize important findings; and
- possess a basic understanding of insurance and business operations.

Overview

Due to the demanding nature of the actuarial science major and the difficulty of the professional examinations, the department maintains a selective admission program for actuarial science. Students must apply and be admitted to the major.

Students interested in becoming actuaries should declare an interest in actuarial science as their major when they enter the University of Iowa. Ordinarily, students apply for admission to the actuarial science major in the fall semester of their sophomore year, after they have taken MATH:3770 Fundamental Properties of Spaces and Functions I or MATH:2850 Calculus III, and STAT:3100 Introduction to Mathematical Statistics I. Students should apply no later than the end of the spring semester of their junior year.

Students admitted to the actuarial science major usually have completed at least 40 s.h. at the University or at another postsecondary institution, including a three- or four-course calculus sequence, a course in linear algebra, and a calculus-based course in probability and statistics. The admission decision is based on a student’s performance in these courses and other courses relevant to success in the major. The student’s grades from semester to semester also are considered. ACT or SAT scores are considered in evaluating transfer students. Factors such as work ethic, enthusiasm, and commitment also may be considered. Students who do well in the prerequisite math courses tend to be the most successful in actuarial science.

For application forms and more information about selective admission, contact the Department of Statistics and Actuarial Science.

Requirements

The Bachelor of Science with a major in actuarial science requires a minimum of 120 s.h., including 59 s.h. of work for the major. Students must maintain a g.p.a. of at least 2.00 in all courses for the major and in all UI courses for the major. They also must complete the College of Liberal Arts and Sciences GE CLAS Core.

The program prepares students for careers as actuaries. It also helps them learn material that is included in professional examinations administered by professional organizations such as the Society of Actuaries and the Casualty Actuarial Society.

Students take a variety of actuarial science courses. They prepare for business aspects of the actuarial profession by studying accounting, law, finance, insurance, and economics. They also complete courses that enhance important communication skills, such as writing and speaking, as part of their CLAS Core requirements.

Courses Required for the Major

The B.S. with a major in actuarial science requires the following course work. Permission to substitute course work taken at another institution for required courses at the University of Iowa is decided case by case; students should contact the department.

<table>
<thead>
<tr>
<th>Code</th>
<th>Title</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>CS:1210</td>
<td>Computer Science I: Fundamentals</td>
<td>4</td>
</tr>
<tr>
<td>ECON:1100</td>
<td>Principles of Microeconomics</td>
<td>4</td>
</tr>
<tr>
<td>ECON:1200</td>
<td>Principles of Macroeconomics</td>
<td>4</td>
</tr>
<tr>
<td>MATH:1850</td>
<td>Calculus I</td>
<td>4</td>
</tr>
<tr>
<td>MATH:1860</td>
<td>Calculus II</td>
<td>4</td>
</tr>
<tr>
<td>MATH:2700</td>
<td>Introduction to Linear Algebra</td>
<td>4</td>
</tr>
<tr>
<td>MATH:2850</td>
<td>Calculus III</td>
<td>4</td>
</tr>
<tr>
<td>MATH:3770</td>
<td>Fundamental Properties of Spaces and Functions I</td>
<td>4</td>
</tr>
<tr>
<td>ACTS:3080</td>
<td>Mathematics of Finance I</td>
<td>3</td>
</tr>
<tr>
<td>ACTS:4130</td>
<td>Quantitative Methods for Actuaries</td>
<td>3</td>
</tr>
<tr>
<td>ACTS:4180</td>
<td>Life Contingencies I</td>
<td>3</td>
</tr>
<tr>
<td>ACTS:4280</td>
<td>Life Contingencies II</td>
<td>3</td>
</tr>
<tr>
<td>ACTS:4380</td>
<td>Mathematics of Finance II</td>
<td>3</td>
</tr>
<tr>
<td>STAT:3100/IGPI:3100</td>
<td>Introduction to Mathematical Statistics I</td>
<td>3</td>
</tr>
<tr>
<td>STAT:3101/IGPI:3101</td>
<td>Introduction to Mathematical Statistics II</td>
<td>3</td>
</tr>
<tr>
<td>STAT:4100/IGPI:4100</td>
<td>Mathematical Statistics I</td>
<td>3</td>
</tr>
<tr>
<td>STAT:4101/IGPI:4101</td>
<td>Mathematical Statistics II</td>
<td>3</td>
</tr>
</tbody>
</table>

In exceptional cases, the advisor may grant permission to waive STAT:3100/IGPI:3100 Introduction to Mathematical Statistics I and/or STAT:3101/IGPI:3101 Introduction to Mathematical Statistics II.

Students may choose to complete ACTS:6480 Loss Distributions and ACTS:6580 Credibility and Survival.
Analysis (both courses) instead of ACTS:4280 Life Contingencies II, except honors students, who must complete all three courses.

**Honors in the Major**

Students majoring in actuarial science have the opportunity to graduate with honors in the major. They must maintain a UI cumulative g.p.a. of at least 3.33, a g.p.a. of at least 3.40 in all departmental courses, and complete the following five courses in addition to all courses required for the major.

<table>
<thead>
<tr>
<th>Code</th>
<th>Title</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACTS:6480</td>
<td>Loss Distributions</td>
<td>3</td>
</tr>
<tr>
<td>ACTS:6580</td>
<td>Credibility and Survival Analysis</td>
<td>3</td>
</tr>
<tr>
<td>STAT:4560</td>
<td>Statistics for Risk Modeling</td>
<td>3</td>
</tr>
<tr>
<td>FIN:3300</td>
<td>Corporate Finance</td>
<td>3</td>
</tr>
<tr>
<td>MATH:3600</td>
<td>Introduction to Ordinary Differential Equations</td>
<td>3</td>
</tr>
</tbody>
</table>

**University of Iowa Honors Program**

In addition to honors in the major, students have opportunities for honors study and activities through membership in the University of Iowa Honors Program. Visit Honors at Iowa to learn about the University’s honors program.

Membership in the UI Honors Program is not required to earn honors in the actuarial science major.

**Academic Plans**

**Four-Year Graduation Plan**

The following checkpoints list the minimum requirements students must complete by certain semesters in order to stay on the University’s Four-Year Graduation Plan. Courses in the major are those required to complete the major; they may be offered by departments other than the major department.

Much of the course work is sequential, so students must begin requirements for the major as soon as possible. Individual study plans must be made carefully. Students who first enroll for a spring semester must consult their advisor to confirm a four-year plan.

**Before the third semester begins:** MATH:1860 Calculus II and MATH:2700 Introduction to Linear Algebra


**Before the seventh semester begins:** STAT:4101/IGPI:4101 Mathematical Statistics II, ACTS:4130 Quantitative Methods for Actuaries, ACTS:4180 Life Contingencies I, ACTS:4380 Mathematics of Finance II, and at least 90 s.h. earned toward the degree

**Before the eighth semester begins:** ACTS:4280 Life Contingencies II

**During the eighth semester:** enrollment in all remaining course work in the major, all remaining GE CLAS Core courses, and a sufficient number of semester hours to graduate

**Career Advancement**

Most actuaries are employed by insurance companies or employee benefits consulting firms. They have responsibilities related to all phases of product development and maintenance for their companies. Individual employers who need guidance in establishing employee insurance and retirement programs also hire actuarial science graduates. A growing number of actuaries work in asset/liability management, some in investment firms, and others in insurance companies.

Actuaries have always been in high demand and earn good salaries. Most Iowa graduates find work as actuaries, but some become financial managers and teachers. They take positions in locations all across the country, often in large metropolitan areas.

The Pomerantz Career Center offers multiple resources to help students find internships and jobs.