



SOFE

Society of Financial Examiners

# INSIGHT

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## 2022 CAREER DEVELOPMENT SEMINAR SOLVENCY IN THE STEEL CITY

While we continue to monitor pandemic conditions, SOFE is very much looking forward to meeting in person once more! Mark your calendars for this year's Career Development Seminar, "Solvency in the Steel City". SOFE CDS offers a comprehensive array of educational sessions on the latest developments and hot topics of State-based insurance solvency regulation.

Additionally, attendees will benefit from the many opportunities to network with peers during the conference and at the Sunday Night Social. This year's social will take place in a speakeasy where you'll be whisked away to the 1920's.



SOFE is pleased to announce that its membership with NASBA has been extended and that SOFE is officially a recognized sponsor for internet-based training as well as live training. SOFE is now listed on the National Registry of CPE Sponsors.

To receive this approval, SOFE underwent a thorough audit of SOFE's training program development, policies and procedures surrounding program planning, registration, execution and evaluation and finally ended with observation and evaluation of a SOFE training session.

The National Registry of CPE Sponsors is a program offered by the National Association of State Boards of Accountancy (NASBA) to recognize CPE program sponsors who provide continuing professional education (CPE) programs in accordance with nationally recognized standards. Because of the respected standards and processes for approval, many boards and associations accept CPE course credits earned from National Registry sponsors. SOFE's training online will now be accepted for most professional associations as our live training has.

Receiving this approval recognizes the quality and caliber of SOFE's continuing education and is not only an exciting benefit for the association but for its members as well.

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*Thank You Katie!*

This would not have been possible if not for the exceptional efforts of our own **Katie Hess**. Katie spent countless hours on the application process and the required documentation. She was in constant communication with the review team to ensure we meet all the requirements and deadlines to provide the SOFE members with this valuable resource. **We are thankful for Katie's dedication and commitment to SOFE and her "My Pleasure" attitude. Way to go Katie!**



## SOFE Important Reminders:

### CRE Credits / Audits



# LATE REPORTING FOR 2021 Final Deadline: MARCH 31, 2022

The deadline to submit CRE Credits for 2021 was January 31, 2022. You have until March 31, 2022 to file late – any credit requirements met after the original deadline of January 31 are subject to a \$75 late filing fee. Failure to submit the required credits by March 31, 2022 is grounds for SOFE designation suspension.

To review annual requirements, please visit [sofe.org/certification/](https://sofe.org/certification/).

#### STILL NEED CREDITS?

There are currently four 2021 CDS Sessions available to SOFE members at no charge.

- 2021 Financial Condition Examiners Handbook Update | 1 CRE
- 2021 Financial Analysis Update | 1 CRE
- Business Ethics '21: Do Facts Even Matter Anymore? | 1.5 CRE | Ethics
- Behavioral Ethics | 1.5 CRE | Ethics

#### TO RECEIVE CREDIT:

1. Visit the Member's Area to view the webinars
2. Take the corresponding quiz on the testing site
3. Use your passing certificate to submit credits onto your SOFE Account

#### CRE AUDIT

All members with a designation have the possibility of being selected for the annual audit of the CRE credit hours they reported. Annual audit selections of reported CRE credit for the year are as follows:

- A random selection of 5% of all designees' reporting.
- One hundred percent (100%) of all questionable, late, or incomplete reporting.
- The CRE credit reported by all new members of the Board of Governors is audited in their first year in office.
- A random selection of 20% of the other Board members' CRE reporting for the year is audited.
- For details on the audit process, refer to the Policy and Procedures for the Education Committee located in the Members Area.

Designees with questions about the audit may contact SOFE at [sofe@sofe.org](mailto:sofe@sofe.org).



## SOFE Membership Dues Renewal Reminder



The deadline to pay 2021 Membership dues was **December 31, 2021**. You have until **March 31, 2022** to pay late. Late payments are subject to a \$15 late fee. Failure to submit the required credits by March 31, 2022 is grounds for SOFE designation suspension.

### TO PAY DUES

1. Log into the **MEMBERS ONLY AREA** line at the upper right tab of the SOFE website.
2. Then select **Billing/Invoices**.
3. Once you have submitted your payment information, you will receive a receipt via your e-mail address on record.

If you have forgotten your username and password, follow the instructions at the member login area.

Remember to update your profile information in the **MEMBERS ONLY AREA** including your address, phone and e-mail address so we can continue to communicate with you.

► **Important Note:** Certain members had their dues paid by their Department or Firm under a group bill process. If you are uncertain if your dues are covered by the group bill, please contact [sofe@sofe.org](mailto:sofe@sofe.org) to confirm.

### MEMBERS ONLY AREA

Member's Directory

View CRE Credits

Report CRE Credits

Update Profile

Update Billing Information

Update Username/Password

Logout

## SOFE's December 15 – Mini CDS

SOFE hosted its first ever free training day for SOFE Members on December 15. The training consisted of 4 sessions, earning attendees up to 4.5 hours of CRE credit. There were 155 participants! Thank you to the presenters and attendees who made this event a success! Be on the lookout for more free training this year.

The following sessions were presented to SOFE Members:

**“ESG: Climate Risks and Sustainability of the Insurance Sector”**

*presented by Bryan Fuller, Examination Resources, LLC*

**“Risk-Focused Analysis and the IPS”** *presented by Steve Hazelbaker, Noble Consulting Services, Inc.*

**“InsurTech - Technology's Evolving Impact on the Insurance Marketplace”**

*presented by Andy Jennings, Darin Benck and Michael Descy, Risk and Regulatory Consulting*

**“IFRS17: Opportunities and Challenges”**

*presented by Michael Dubin and Felix Peysakhovich, Baker Tilly Virchow Krause, LLP*



## AES Committee Corner

*Jenny Jeffers, Chairman*

My first SOFE CDS was in 2004. I had just earned my CISA and AES so wanted to start my journey earning CRE at CDS. I attended the IT session which were largely about ACL and Teammate and were very basic. While I appreciated that this training was needed, it did not actually make me a better IT Specialist. I voiced this to SOFE officers and offered to assist in bringing more exciting and IT oriented training for IT Specialists. At that time, there were only a couple of members who were strictly IT Specialists. Most of the holders of the AES designation were AFEs or CFEs who also performed the IT review. IT is my belief that IT is among the most important key controls for every company. I set about to bring IT to the forefront and elevate the importance of assuring the financial examiners that the controls around the IT functions were effective and results seen on reports should be trusted. With the support of the SOFE Executive Committee, the AES became a certification rather than a designation and the AES Committee was created. I became active in SOFE governance and got on the Board and was appointed Chairman of the AES Committee. Currently we have quite a few AES certified IT Specialists. The level of the IT review has improved year by year and has expanded with all the changes in the digital environment. Most recently, to review controls and protection around Cyber Security threats.

The Automated Examination Specialist (AES) Committee must consist of at least 5 members. All members must hold the AES Designation. The AES committee's primary objective is to oversee the requirements for the AES designation and recommend to the Executive Committee approval of qualified member applicants for the AES designation. The Committee is represented on the SOFE Executive Committee to represent AES designated members. The VP of the AES Committee reports to the SOFE EC regarding actions related to IT Examinations that take place at the NAIC, for example, the NAIC Insurance Data Security Model Law. The AES Committee has taken on the responsibilities of the former web site committee and assists SOFE management with improvements and changes to the SOFE web site as well as testing changes made to the web site. Additionally, several committee members are also members or interested parties of

the NAIC IT Examination (E) Working Group, which recommends changes to the Information Technology section of the Financial Examiners Handbook.

We welcome new applications and encourage IS Specialist to complete the requirements for the AES designation.

### Requirements to Apply for the AES Designation

There are five requirements for obtaining the Automated Examination Specialist (AES) designation. They are:

#### 1 Exam requirements

To qualify for the AES designation, you must have completed, with a passing grade, the AFE1 and AFE2 exams offered by the Society of Financial Examiners. In addition, you must have completed, with a passing grade, the CISA exam offered by the Information Systems Audit & Control Association (ISACA), the international organization for IT professionals. Visit [www.isaca.org](http://www.isaca.org) for further details.

#### 2 AES Exam requirement

To qualify for the AES designation, you must pass the AES Examination, as administered by the Society of Financial Examiners. The passing grade is 74. This examination tests general knowledge of the NAIC's Exhibit C: Evaluation of Controls in Information Technology, Parts 1 and 2. For further information about the Exam, or to register to take the exam please contact SOFE at [sofe@sofe.org](mailto:sofe@sofe.org).

#### 3 Work-related experience requirements

To qualify for the AES designation, you must be an insurance department employee, or self-employed with a contract for services directly with an insurance department or be employed with a company that has a contract with a state insurance department.

You must have two full years experience (3200 hours) as an IT Examiner participating in the NAIC Exhibit C IT examination process, which two years may be cumulative. The experience requirement shall be certified by the applicant's direct supervisor, the chief examiner if employed by a state insurance department or by the chief examiner of the state most knowledgeable of the applicant's experience if self-employed.



The accumulated experience is measured by the time dedicated entirely to the preparation and execution of the NAIC Exhibit C IT examination process. The AES application includes an experience spreadsheet detailing such experience. Completion and submission of the spreadsheet indicates the candidate shall be able to produce accurate records of the engagement dates, the names of companies examined, the state(s) for which the work was performed and the name of the Examiner in Charge (EIC) or Supervisor of each project.

The experience is the hardest part of these requirements, especially if part of your work is non-IT. You should accumulate and document IT experience before and during the period when you are taking the tests for qualification.

#### **4 Membership requirements**

To qualify for the AES designation, you must be a General Member (or an AFE or CFE) in good standing with the Society of Financial Examiners.

All completed applications are reviewed by all members of the AES Committee and the assessment is related to the SOFE Membership Committee. Approved applicants will receive notification by the SOFE Management and an AES Certificate.

#### **5 AES Requirements**

Members holding the AES designation must earn a minimum of 20 CRE credits each year with a total of 120 CRE credits over each defined three-year period.

For each year the AES is required to earn a minimum of twenty (20) CRE credits, twelve (12) must be IT related\*, six (6) must be financial examination related (including the NAIC Financial Condition Examiners Handbook training), and two (2) must be in ethics.

For each defined three-year reporting period the AES is required to earn 120 CRE credits, ninety (90) must be IT related\*, twenty-four (24) must be financial examination related (including the NAIC Financial Condition Examiners Handbook training annually), and six (6) must be in ethics.

\*An IT related course is defined as a course which contributes to the advancement of the AES's knowledge in the performance of IT examination tasks.

The SOFE staff and the AES Committee are always happy to answer questions regarding the AES certification. We are hoping more people will start working towards becoming an AES to further enhance the quality of IT examinations. IT examiners have the most FUN!

## **State Chair Vacancies**

### **U.S. VIRGIN ISLANDS**

If you would like to volunteer to be a State Chair, please contact SOFE Headquarters.



## New Members and Designees

*Welcome to the new SOFE members who were approved by the Executive Committee since our last publication of InSIGHT:*

### **Welcome New Members!**

#### **GENERAL MEMBERS**

James Anderson, ID  
Yaw Manu Asamoah, TX  
Noah Bell, NE  
Ehneetin Brarqwel, TX  
Daniel Brubaker, ID  
Shiyu Fang, TX  
Carolyn Fanning, ID  
Deborah Fernatt, WV  
Zachary Fuentes, HI  
Martha Goettelman, WI  
Jennifer Hefner, CA  
Cybele Hinson, TX  
Mick Jepson, IA  
Aundrea Jones, MI  
Ryan Kimbrough, NE  
Diamond Koh, NE  
Jennelle Mireles, TX  
Jacob Moran, OH  
Quan Nguyen, NE  
McKinley Nicholas, UT  
Josh Parise, WA  
Richard Ruiz, MO  
William Stransky, TX

*Congratulations to the following members who were granted SOFE designations by the Executive Committee since our last publication of InSIGHT:*

### **Congratulations to our New Designees!**

#### **CFE DESIGNEEES**

Joseph DeVries, IN  
Jacqueline Gaines, TX  
Rustin Gaines, MS  
Benjamin Hostestler, NE  
Matthew Jones, NC  
Jenna Rempe, NE  
Ralph Romano, FL  
Julie Smith, IN

#### **AFE DESIGNEEES**

Taylor Close, TX  
Travis Dilley, OH  
Patrick Hendrickson, ND  
Cambria Shore, UT  
Paul Throckmorton, UT





# Mark Your Calendar

## Upcoming SOFE Career Development Seminars

Details as they are available at: [www.sofe.org](http://www.sofe.org)



**2022 July 24–27**  
Pittsburgh, PA  
Omni William Penn



**2023 July 16-19**  
Louisville, KY  
Omni Louisville



**2024 July 28-  
August 1**  
Oklahoma City, OK  
Omni Oklahoma City Hotel

## NEWS FROM THE STAFF



L-R | Katie Hess, Cindy Dodson, Debbie Wilborn and Rhenda Davis

### **Cindy Dodson, Executive Director**

Overall management supervision. Direct responsibility and communication with Executive committee. Reviews entries and financials with Accounting Manager as first level of checks and balances. Contract management.

### **Katie Hess, Assistant Executive Director**

Direct communication with Executive Committee. Reviews database information with Membership Director and performs random checks on data. Schedules and attends teleconferences and board meetings. Attends NAIC functions as representative of SOFE. Examination administration and oversight of testing function.

### **Rhenda Davis, Membership Director**

Overall management of membership, renewal and packet distribution. Management of Membership Committee call organization, follow up and documentation. Direct contact for membership regarding questions and information. Examination administration and oversight of testing function with test.com. Attends NAIC functions as representative of SOFE.

### **Debbie Wilborn**

Manages CDS Registration and reporting.



# Examiner®

## Authors Wanted

Authors wanted for The Examiner with upcoming deadlines for **Spring 2022** being **February 7** and for **Summer 2022** being **May 23**.

Interested authors should contact the Publications Committee Chair via [sofe@sofe.org](mailto:sofe@sofe.org)

### SOFE Headquarters

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