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The American College

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FACTS ON THE AMERICAN CENTER FOR INSURANCE EDUCATION

WHAT IS THE AMERICAN CENTER FOR INSURANCE EDUCATION?

Housed in Huebner Hall, in Bryn Mawr, are five organizations which literally constitute the center for insurance education in the United States. Two of those organizations serve the life and health insurance business: the American College of Life Underwriters and the American Society of Chartered Life Underwriters.

Three of them serve the property and casualty insurance business: the American Institute for Property and Liability Underwriters; the Insurance Institute of America; and the Society for Property and Casualty Underwriters.

GIVE A BRIEF DESCRIPTION OF EACH ORGANIZATION.

(See attached sheets, pages 3-7.)

WHY AND WHEN DID THESE ORGANIZATIONS "COME TOGETHER"?

The American College of Life Underwriters is the senior organization involved, from the standpoint of both age and size. (Please refer to special note about Insurance Institute of America on page 6.) It was started in 1927 by Dr. Solomon S. Huebner (then Professor of Insurance and Commerce at the Wharton School of Finance and Commerce) and the other organizations have, in a natural way, grown out of it.

It was Dr. Huebner's hope that, through increased knowledge and the acceptance of professional ethical standards, a true professional designation could be established along the lines of the C.P.A. in accounting and other similar designations. The result was the Chartered Life Underwriter program and the C.L.U. designation. It took longer to get the Chartered Property Casualty Underwriter (C.P.C.U.) project under way but it is now well established for the property branch of insurance.

Both of the societies (American Society of Chartered Life Underwriters and Society of Chartered Property and Casualty Underwriters) grew out of the desires of the graduates (C.L.U.s and C.P.C.U.s) to join together into professional societies devoting their efforts to provide better insurance service to the public through increased competence of their members. Neither Society is a trade organization in the sense of legislative and public relations interests being paramount. In both the paramount feature is the continuing education of the membership.

The life and property organizations first came together physically in 1948 when the American College bought its first property near the campus of the University of Pennsylvania. Because of the community of interests of the organizations....particularly in their relationship with colleges and universities throughout the country as well as in certain operational activities, such as annual examination arrangements....it was natural that they would associate themselves with one another. Since 1948 the American Institute has occupied quarters with the American College and American Society.

FACTS ON THE AMERICAN CENTER FOR INSURANCE EDUCATION, continued

In a very real sense the association of all these organizations at Huebner Hall constitutes a national center for insurance education... even though each organization retains its individual identity. For that reason they have chosen as the name for their new site "The American Center for Insurance Education."

WHY IS THE NEW HOME FOR THESE FIVE ORGANIZATIONS CALLED "HUEBNER HALL"?

Appropriately, the new building has been named in honor of Dr. Solomon S. Huebner, co-founder of both the C.L.U. and C.P.C.U. professional insurance education movements. Dr. Huebner, subject of a recently published biography, The Teacher Who Changed an Industry, first conceived the idea of a professional education for life insurance men in 1913. In 1927 he helped to found the American College of Life Underwriters, which grants the Chartered Life Underwriter (C.L.U.) designation, and served as its first dean and then as president. Since 1954 he has been president emeritus.

In 1942 he helped to found the American Institute for Property and Liability Underwriters, which grants the Chartered Property Casualty Underwriter (C.P.C.U.) designation, and he has served continuously as the American Institute's board of trustees since that time. As a young teacher at the University of Pennsylvania, Dr. Huebner started the first collegiate department of insurance in the country. He was professor of insurance and commerce at the Wharton School of Finance and Commerce for half a century before retiring in 1953.

Today, at age 79, he continues to work actively in the interest of C.L.U. and C.P.C.U. and for many years has taught C.L.U. courses at the University of Pennsylvania.

THE AMERICAN COLLEGE OF LIFE UNDERWRITERS (life and health insurance)

The Chartered Life Underwriter (C.L.U.) designation is granted by the American College of Life Underwriters to people in the life and health insurance business who pass a series of five comprehensive, college-level examinations in life and health insurance and related subjects...and meet the College's high requirements of moral character and ethical business practice. The first C.L.U. designation was granted in 1928. Since then over 9,000 men and women in the United States have become C.L.U.s. Another 12,250 have passed one or more of the five examinations in working toward the designation.

The American College was founded in 1927 by Dr. S. S. Huebner, University of Pennsylvania Professor, and a group of far-sighted leaders in the life insurance business. The College (located in Bryn Mawr) has no football team, no band, no professors...in fact, no students! Yet, it is a "College" ---with a charter, board of trustees, president, dean and staff...even a beautiful ten-acre campus---in that it is an institution for specialized and professional education.

There are no formal classes given at the College. Instead, C.L.U. candidates attend classes at colleges and universities throughout the country or prepare for the examinations in study groups or "on their own." The American College prepares and grades the examinations which are given early in June each year at about 190 university centers in the United States.

The College's primary source of income is fees from its examinations. In the typical case, the examination fee of \$50 (for each exam) is shared by the candidate and his company. Last year a permanent endowment of \$1,000,000 was established by life and health insurance companies to give financial stability to the College; only the investment earnings from that fund are used for operational expenses.

Currently, individual C.L.U.s and friends of C.L.U. are in the process of raising \$1,000,000 to further the educational activities of C.L.U. This money, which is being pledged over a ten-year period, will be used to pay off the mortgage on Huebner Hall, to help underwrite the cost of an accelerated research program, and to help provide continuing education for C.L.U.s.

The administrative head of the American College is Dr. Davis W. Gregg, C.L.U., President, and the Dean is Herbert C. Graebner, C.L.U. Dr. Huebner, who is now President Emeritus of the American College, still comes into his office daily and remains active in C.L.U. work. The Chairman of the College Board of Trustees is Paul F. Clark, C.L.U., Chairman of the Board, John Hancock Mutual Life Insurance Company.

THE AMERICAN SOCIETY OF CHARTERED LIFE UNDERWRITERS (life and health insurance)

The American Society is the national professional society for men and women who hold the Chartered Life Underwriter (C.L.U.) designation. It has 5,700 members who are affiliated with 126 local chapters throughout the United States.

Foremost among the objectives of the American Society is the extension of advanced and continuing education in life and health insurance and related subjects for those engaged in the profession of life underwriting. The objective is satisfied in large measure by the publication of the (quarterly) C.L.U. JOURNAL...by conducting three C.L.U. Institutes a year ...by conducting C.L.U. National Seminars...and through Chapter-sponsored programs.

Equally important is the American Society's objective of promulgating life and health insurance practices which serve the best interest of the public. To this end the Society provides QUERY, a monthly mailing periodical of current tax and estate planning information...and the C.L.U. Weekly Newspaper Column, a question-and-answer series on life and health insurance which now appears in over 50 newspapers with a combined circulation in excess of 5,500,000. Also the Society and its chapters make frequent informational publications and programs available to the public.

All members of the American Society---regardless of their field of endeavor: agent, college teacher, manager, home office executive, etc.---subscribe to the highest professional standards as set forth in the professional charge and in the official code of ethics. Membership signifies active participation in the American Society and full support of its program.

The Society's primary source of income is dues from members. The administrative head is Paul S. Mills, C.L.U., Managing Director. The President is Lillian G. Hogue, C.L.U., New York Life Insurance Company representative in Detroit.

THE AMERICAN INSTITUTE FOR PROPERTY AND LIABILITY UNDERWRITERS, INC. (property and casualty insurance)

"C.P.C.U." is the abbreviation of Chartered Property Casualty Underwriter, a professional designation awarded by the American Institute. The American Institute was organized in 1942 under the sponsorship of a complete cross-section of the property and casualty insurance business with the primary purpose of creating an ever-increasing group of career underwriters who will be recognized as master craftsmen.

To achieve its basic objectives, the American Institute aids men and women engaged in the property and casualty insurance business (1) to understand the place of the institution of insurance in our economy, (2) to comprehend the manner in which the insurance business functions, (3) to understand the various coverages and their proper uses, and (4) to fit these contracts to the needs of their clients.

The educational standards of the C.P.C.U. program are administered through five written examinations conducted nationally each year by the American Institute. Each of these examinations is four hours in length and the questions are on the problem type.

Since its inception the American Institute has awarded the C.P.C.U. designation to over 2800 persons and more than 4700 others have received credit for passing at least one examination.

The primary source of income for the American Institute is examination fees. The administrative head is Dr. Harry J. Loman, Vice Chairman of the Board of Trustees and Dean. The Chairman of the Board is Dr. S. S. Huebner; the President is Hubert W. Yount, Executive Vice President of the Liberty Mutual Insurance Company.

INSURANCE INSTITUTE OF AMERICA (property and casualty insurance)

The educational program of the Insurance Institute of America has been coordinated and integrated with the C.P.C.U. program since 1952 when responsibility for the administration of the program was assumed by the American Institute's staff. The Insurance Institute of America originated in 1909 and was incorporated in 1923 by a special act of the legislature of the State of New York. It is the oldest insurance educational and examination body in the U.S. that has operated on a national basis.

The Insurance Institute of America administers three examinations which lead to the award of the Insurance Institute Certificate. The program gives special attention to the needs of those persons who wish to acquire a basic knowledge of property and casualty insurance or to demonstrate that they are fitted to undertake advanced insurance study in preparation for the C.P.C.U. examinations. Since the program was revised in 1953 nearly 2400 persons have earned the Certificate.

The primary source of income of the Insurance Institute is examination fees. Its administrative head is the same man who heads the American Institute, Dr. Harry J. Loman, whose Insurance Institute title is Executive Vice President. The President is John H. Dillard, Vice President of the Fireman's Fund Insurance Company.

SOCIETY OF CHARTERED PROPERTY AND CASUALTY UNDERWRITERS (property and casualty insurance)

The Society of Chartered Property and Casualty Underwriters was officially organized in 1944 as a professional association whose membership consists of men and women who have the C.P.C.U. designation.

The Society provides the means whereby its members may expand their intellectual mastery of the insurance vocation and improve their technical competence in selected fields of insurance. Society members are expected to observe a standard of conduct embodied in the professional charge of the American Institute administered to every C.P.C.U. designee at the time of conferment of the designation.

Moreover, the Society's membership, consisting of persons engaged in all phases of insurance practice, is dedicated to the maintenance of the highest professional standards in the insurance world. These aims of continuous self-improvement, professional and ethical development are accomplished through the Society's national activities and through the activities of its many local chapters. Each C.P.C.U. agrees when receiving his designation to actively participate in and support Society programs.

The Society publishes a professional journal, the Annals, holds C.P.C.U. Institutes and conducts C.P.C.U. National Seminars.

The Society's primary source of income is dues from members. The administrative head is Harry F. Brooks, Managing Director. The President is Price M. McCulley, C.P.C.U., McCulley Adjustment Company, Shreveport, La.