FALL INSURANCE CLASSES

During the fall semester we had five insurance classes with a total of 96 students enrolled. We continue to try different formats for our classes to meet the needs of as many students as possible. This fall we offered three sections of our Principles of Insurance class, including one online and one evening class. Al Vassey from State Farm taught our evening class.

We also had one class on Property and Liability Insurance and one on Business Risk Management. In addition to the insurance classes we had 21 students in our Personal Financial Planning for Professionals class. This class is the latest addition to our program and is designed to prepare students to work in all areas of Personal Finance.
NMSU GRADUATES JOIN THE INSURANCE INDUSTRY

We had 12 students graduate with a Minor in Insurance in December. As of the date that this was written the following four have joined the insurance industry:

- Valerie Aguilar, Burke Insurance
- Kara Brooks, Pat Campbell Insurance
- Erika Melendez, Farmers Insurance
- Jeff Sauer, McGonigle Insurance

THE INSURANCE INDUSTRY’S BIGGEST PROBLEM

At the 75th Annual Convention of the Independent Insurance Agents convention last October the first question that was asked of the panel representing the insurance industry was “What is the biggest problem facing the industry today?” The immediate response by Keith Braxton, CEO of Colorado Casualty, was the need to recruit young people into the industry. He also added that he had recently hired two recent NMSU insurance graduates. We believe that most industry observers agree that this is our biggest problem.

Adding to the recruitment problem is that most colleges and universities do not offer any courses in insurance. There is only one university program in insurance in the entire Rocky Mountain area. Even at schools such as NMSU, that have an insurance program, we find it a difficult sale to convince students that they should consider the insurance industry as one of their career choices.

Our experience at NMSU during the last four years has shown that when students are introduced to the insurance industry they respond positively, and a high percentage goes into the insurance industry. The insurance industry has many of the attributes that young people are looking for; opportunities to serve their community, a variety of jobs, opportunities to advance, and a relatively stable work environment.

We have found that the best way to get students to consider insurance is to offer scholarships and internships. It is no secret that the cost of a college education has been increasing at a rate greater than the rate of inflation. In addition, the budget problems at our colleges and universities will be getting worse over the next few years. This will increase the pressure on specialty programs, such as Risk Management and Insurance.
The reason that university insurance programs fail is not because there is a lack of demand. They fail because of a lack of permanent funding. When college administrators need to reduce expenses, specialty programs such as insurance, are top prospects to be cut. Thanks to the generosity of the companies and agents in New Mexico we now have an insurance program that is graduating a few new young people every year into the Insurance industry in a wide variety of positions. We would like to have more of the regional and national companies join the New Mexico (and one Texas) companies and agencies that have been very supportive.

NEED FOR ADDITIONAL FUNDING

We have two major funding needs at this time. The first is for additional scholarship funding. We award scholarships annually based upon academic achievement and demonstrated interest in insurance. An endowment of $50,000 will provide an annual scholarship in the name of the donor of $2,000 per year. This makes a big difference to a college student. In addition to endowments we are always happy to accept a donation of any size for a one time scholarship. Donors are honored at our scholarship luncheon held each year in the fall.

We currently have one endowed chair at NMSU, the Mountain States Insurance Group Chair. Mountain States Insurance gave NMSU $1,000,000 to endow the chair. The earnings from this endowment are used to supplement faculty salaries for our insurance professors. The salaries at NMSU are below salary levels at our peer institutions. With this endowment we would not be able to attract a top quality insurance professor.

In order to grow our program we need to endow a second chair or professorship in insurance. If your company is interested in having a chair or professorship named for your company please contact Tim Query.

We also frequently have a need to help students attend industry and professional meetings, such as RIMS and the Independent Agents Conventions. Industry professional who enjoy their careers are the best “salespersons” when interacting with college students who are unsure about their futures.
MOUNTAIN STATES INSURANCE GROUP ENDOWED CHAIR ACTIVITIES

Tim Query has made the following presentations and publications:


- Luncheon speaker at the Rio Grande Rotary Club (December 2009). Presented on “Risk Management and Insurance Studies at NMSU.”

- Tim also reviewed an academic paper for the CPCU E-Journal.

RISK MANAGER IN RESIDENCE PROGRAM

Cheryl Johnson, the risk manager for the Dallas Independent School District, spent three days on the NMSU campus visiting with faculty and staff. During that time she gave presentations on risk management in general and the unique challenges of a large public school district. Cheryl also made a presentation for members of the Las Cruces school district.

Other industry guests during the fall semester included:

- Will Burke, Burke Insurance, Las Cruces
- Chip Carlson, Pat Campbell Insurance, Las Cruces
- Grace Gandarilla, C.P. Jordan Construction, El Paso
- Ben Miller, Northwestern Mutual, Albuquerque
- Randy Perkins & Julie Nicolaysen, Mountain States Insurance, Albuquerque
- Betty Solis, Farmers Insurance, Las Cruces
- Sarah Wellborn, Mountain View Regional Medical Center, Las Cruces

GAMMA IOTA SIGMA

Gamma Iota Sigma, the professional fraternity for students interested in Insurance, Risk Management, and Actuarial Science, was active this fall. The group had a bowling social
outing, industry guest speakers, and participated with other College of Business student organizations in providing lunch for COB students on the Traders Plaza. GIS members also assisted with the “Buddy Walk” a major fundraiser for the Southern New Mexico Down Syndrome Families, a local nonprofit organization.

The Insurance and Financial Services Center at New Mexico State University continues to grow our program and to achieve our goals of recruiting college graduates into our industry, educating our students about insurance, and doing relevant insurance research. This program is made possible by our major donors:

- Mountain States Insurance Group
- New Mexico Mutual Group
- Blue Cross & Blue Shield of New Mexico
- Regulatory Consultants, Inc
- Kemper Insurance Group
- Independent Agents of New Mexico
- Manual Lujan Agencies
- JDW Insurance
- State Farm Insurance

For more information on the Insurance Studies Program at NMSU contact:

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