Warm greetings from KSU where Spring 2019 classes just launched. Amidst ice, sleet, snow, and cold winds, we welcomed our seventh and largest class of 43 new Student Fellows representing 15 majors across campus to the CRMER. The quality of Student Fellow applicants this year was the largest and strongest candidate pool we have ever experienced and we had to turn down several well-qualified prospects. It is truly an honor to have the opportunity to work with such a talented and motivated group of young scholars.

Our current graduating group of Fellows are finalizing career paths or making plans for graduate school, with amazing opportunities on their horizons. The job market for Student Fellows is immensely robust with multiple and lucrative offers being commonplace. These students are well prepared to help us successfully navigate through unprecedented times of extraordinary opportunity laden with complex risk.

The Center strives to provide ever greater value to students, industry partners, and Kansas State University. In addition to our continued commitment to broad student education in integrated risk management, we will be hosting our second commodity futures conference with the Commodity Futures Trading Commission in Overland Park, KS April 11-12. Last year’s conference was an enormous success and we anticipate continuing the momentum from that event with a program featuring preeminent policy, regulatory, industry, and academic thought leaders in frank and open dialogue about issues facing our futures and derivative markets so essential in managing risk.

The Center also welcomes Kim Schirer, Senior Director of Development for the KSU Foundation. Kim fulfills a vital role in managing contributions by our private and corporate partners. We look forward to working alongside Kim in advancing the CRMER as one of Kansas State University’s centers of excellence.

We invite you to join us in the Center for Risk Management Education and Research to be part of an exciting and innovative risk management educational program providing leadership and value to students, industry partners, and Kansas State University. Our foundation is strong industry-academic partnerships providing value to all that are engaged. Best wishes for a successful 2019!

Sincerely,

Ted Schroeder, Director
Center for Risk Management Education & Research
785.532.4488 | tcs@ksu.edu
THE STUDENT FELLOW EXPERIENCE
FALL SEMESTER HIGHLIGHTS

The Student Fellowship combines experiential learning and interdisciplinary collaboration to increase students’ knowledge in risk management. This past fall semester more than 30 students participated in the CRMER Student Fellowship by attending guest lectures, industry visits and engaging in risk management research.

SECURITY BENEFIT- In August, Student Fellows visited the Security Benefit headquarters in Topeka, KS. Members from the investments, derivatives, actuarial and ERM teams presented how the financial solutions company manages their business risk. Security Benefit highlighted some of the innovative strategies they utilize to manage the company’s 37 billion dollars in assets.

AON- The CRMER took its annual trip to Chicago, IL in early October, starting at Aon, a global risk consulting firm specializing in corporate. Fellows learned how Aon’s executives interpret data to find solutions for clients seeking to manage their risk exposure. Fellows met with a few dozen Aon employees to discuss trending topics including blockchain, cyber security & data ethics.

CME GROUP- The CRMER spent day two in Chicago at the CME Group, the world’s largest derivatives marketplace and exchange. Executives the CME Group provided an overview of the exchange, explaining the economic importance of futures trading and highlighted how the CME Group provides price discovery, risk transfer and clearing services for its users.

SARA MENKER- In October, the CRMER met with Founder and CEO of Gro Intelligence, Sara Menker, to discuss her tech company’s proprietary database. In a tutorial, Sara illustrated how the platform provides multiple data visualizations and predictive models to help users better understand the risks and opportunities present in the global food industry.

EVENING OF EXCELLENCE- In November, CRMER hosted an Evening of Excellence to recognize the innovative work the CRMER does to provide value for students, industry and the university. More than 100 students, alumni and industry professionals attended the event. While snowy conditions prevented keynote speaker Greg Case- CEO of Aon from attending, guests were very fortunate to hear from Advisory Chair- Ed Prosser- VP Commodity Risk Management for Scoular, Lee Borck- CRMER Endowment Partner and Chairman for ILS, and K-State President Richard Myers. Comments from speakers highlighted the importance of the CRMER in leading interdisciplinary understanding of risk in both K-State students. Student Fellows benefited from networking opportunities with the K-State alumni and industry guests in attendance.

RESEARCH PROJECTS- Late this fall the 2018-19 class of Student Fellows began working in groups on seven new industry sponsored research projects. Themes from the projects include market assessments, price and regression analyses, value propositions, and enterprise risk management planning. Research projects provide Student Fellows the opportunity to work in a multidisciplinary team to analyze data and apply their knowledge and skills to find solutions to real business problems. Teams plan to present their research findings in spring 2019.

2019-20 NEW STUDENT FELLOWS- The CRMER accepted its seventh class of Student Fellows who will officially start in January 2019. 43 students were selected from a competitive pool of applicants to participate in the CRMER’s Student Fellowship program. The class is comprised of 15 different academic majors including undergraduate, masters and PhD students.
STUDENT SPOTLIGHTS
18-19 STUDENT FELLOWS

DAMARIS HANSEL  PhD CANDIDATE AGRONOMY
Hometown | Porto Alegre, RS - Brazil

Why did you join the Center for Risk Management Education & Research?
Being an agronomist, I understand the importance of good risk management. Despite it being a very important driver of how agricultural products are commercialized, produced, and marketed, risk management is not a subject that most agronomists have knowledge about. I joined the CRMER with the intention of learning more about the subject and understanding how I can integrate risk management into my area of study.

What has been the most valuable experience of the program?
The trip to Washington DC was full of experiences. The opportunity to be in contact and hear from people that deal with real life risk management situations, enriches our understanding and knowledge on how to manage risk.

What areas of risk did you learn about while in the CRMER?
Market risks, cyber security, insurance, national security.

What advice do you have for the new class of Student Fellows?
Take the most you can from the opportunities offered by the CRMER. The industry guest speakers have much to enlighten us with on their experiences. Their life paths and how they got to be who and where they are, are always inspiration for future professionals.

What are you plans for after graduation?
I want to be an agriculture teacher/professor, to encourage students to be their best version and take the most out of the opportunities they are given.

JAKE MIKULS  BS FINANCE
Hometown | Overland Park, KS

Why did you join the Center for Risk Management Education & Research?
Joining the center seemed like a great way to learn about different types of risk and how professionals deal with this risk. I wanted to gain some experience that would help me once I graduate and start working full time.

What has been the most valuable experience of the program?
The trip to Washington D.C. was definitely the most valuable experience so far during my time in the program. Hearing how different professionals offset and handle risk in different fields was an extremely insightful experience that I will be able to use in the future when I need to manage risk in the future.

What areas of risk did you learn about while in the CRMER?
I learned about dozens of different types and areas of risk ranging from things like weather risk (towards crops for example) to even more complex risk areas like cyber security and terrorism.

What advice do you have for the new class of Student Fellows?
The best advice I can give the new class of student fellows is to simply keep an open mind. There are so many topics being covered and there's a good chance you will only have had brief exposure to a few of these topics. I'd suggest each fellow to pay attention and take detailed notes. Also, make sure to ask questions if you don't understand something. The professionals that the center brings in are there to talk to you and they are going to understand if you're confused.

What are you plans for after graduation?
Right now, I am planning on starting to work full time, but I don't have a concrete plan set.
STUDENT SPOTLIGHTS
18-19 STUDENT FELLOWS

JUSTIN SCHMUTZ BS BIOAGRICULTURAL ENGINEERING
Hometown | Salina, KS

Why did you join the Center for Risk Management Education & Research?
First, the opportunity to build relationships with and work alongside students who are pursuing degrees in a variety of disciplines. I knew this would further develop me as a leader in working with people who have different skill sets as well as increase my knowledge as I learn more about their disciplines. Second, was the opportunity to network with and learn from industry professionals in the field of risk management. I was excited to learn more about a field that impacts us all in our daily lives and discover how I could apply what I learn to my life and line of thinking. My third and final reason was the opportunity to travel and first hand interact with some large players in the field of risk.

What has been the most valuable experience of the program?
The most valuable experience for me has been the opportunity to learn why/how risk management is such a critical aspect for many companies and in daily life. It has been valuable to learn how technology provides these companies new and better ways to manage and diversify their risk.

What areas of risk did you learn about while in the CRMER?
I have learned the most about risk management in the fields of agriculture, insurance, and retirement savings. Some items I have learned about in these fields include: various ways to hedge risk with ag. commodities, how companies such as CME Group diversify their risk portfolios, and how companies like Security Benefit define and quantify risk when creating retirement savings plans.

What advice do you have for the new class of Student Fellows?
Jump all in and ask questions. Attend as many of the lectures and events as possible. This will provide you the opportunity to develop relationships with students and network with industry professionals.

What are you plans for after graduation?
I will participate in a cultural exchange program before starting work as a Machine Design Engineer with Geoprobe Systems in Salina, KS. Geoprobe designs and manufactures drilling equipment for environmental, geotechnical, and mineral exploration purposes.

EMILY ZWICK BS AGRICULTURAL ECONOMICS | BUSINESS AND PHILOSOPHY MINORS
Hometown | Wichita, KS

Why did you join the Center for Risk Management Education & Research?
My cousin was in the CRMER and after hearing about his experience it didn’t seem like something I could pass up. The Center provides the opportunity to work on real world business projects, interact with different companies in a variety of industries, travel to new cities, and network. It has been my most educational college experience.

What has been the most valuable experience of the program?
For me, the research project has been the most valuable experience. Through this I have been introduced to different disciplines, while connecting the classroom to application.

What areas of risk did you learn about while in the CRMER?
I’ve learned about everything from agricultural commodity risk to insurance risk to hospitality management risk. We even had someone speak on cyber security and terrorism.

What advice do you have for the new class of Student Fellows?
I have not been familiar with a great amount of the companies we get to meet with. It’s extremely beneficial to look up companies before talks/trips to have a better understanding of their function and risks within their industry. It allows you to ask better questions too!

What are you plans for after graduation?
In August I will start as a supply chain associate for Cargill in Minneapolis, MN.
Focus on doing your job as well as you possibly can. This advice seems intuitive but once you get to your job you’ll find not everyone has this attitude. Everyone wants that promotion or raise and that’s all that person focuses on. The problem is that person is focusing on the promotion or the raise and is disappointed when he/she doesn’t get it instead of focusing on the tasks, processes, and learning that enables a person to do his/her job at a high level which leads to the promotion or raise.

Tell us about your current job, what do you do for Security Benefit?

I work on the Derivatives team. We mostly hedge our liabilities associated with the Fixed Indexed Annuities we sell. We use OTC (Over The Counter) options as well as Exchange cleared options and futures to hedge these liabilities. The reason we use OTC options is that they are customizable which allows Security Benefit to create different annuity products. I co-lead the operations function of the derivatives team. This means that I’m responsible for confirming trades, reconciliations, cash breaks, trade settlement, cash wires, margin movement, audit and regulatory compliance, process improvement, and system development since we have created our own internal systems.

What areas of risk currently facing your industry?

Credit and interest rate risk are two big risks our company manages. Another risk is being able to fulfill our obligations to those individuals who have purchased one of our annuity products. We need to take that money and invest it in such a way that the investment return will cover the return that is due to the policy holder and give the company a profit (i.e. a spread). Managing our cash position is also important to our company. Too much cash hurts the company’s returns but the company needs to have enough to meet policy redemptions or other costs. Regulatory risk and reputation risk are risks the company needs to manage as well.

What professional or personal advice do you have for current Student Fellows?

Focus on doing your job as well as you possibly can. This advice seems intuitive but once you get to your job you’ll find not everyone has this attitude. Everyone wants that promotion or raise and that’s all that person focuses on. The problem is that person is focusing on the promotion or the raise and is disappointed when he/she doesn’t get it instead of focusing on the tasks, processes, and learning that enables a person to do his/her job at a high level which leads to the promotion or raise.
FUNDING FOR THE FUTURE

FOUNDATION UPDATE FROM KIM SCHIRER

Supporting the Center for Risk Management Education and Research generates research and educational opportunities for Kansas State University to better understand and act on the challenges and opportunities associated with risk.

There are several approaches for you to support the Center, and every investment makes a tremendous impact in helping us continue our mission of engaging students, faculty and industry in innovative education and research advancing risk management skills and knowledge.

Annual Gifts- With our annual philanthropic initiatives, K-State alumni and friends join together to make a collective impact. You can help the university meet its annual goals and meet immediate needs, such as student scholarships, faculty support, facilities enhancements and other opportunities.

Naming Gifts- Naming gifts allow you to invest in a specific K-State area, project or program and make a significant impact on the university’s future with sustainable support. Learn more about the needs of your favorite K-State college or program or contact a development professional.

Planned Gifts- Gift planning is an investment in K-State’s future, now or after your lifetime, through estate planning. Gifts support key areas like faculty, students, or infrastructure and ultimately support K-State’s goal to be recognized as a top 50 public research university by 2025.

For more information about ways to support the CRMER, contact Kim Schirer at kims@ksufoundation.org or 785.775.2090