

INSURANCE PRINCIPLES

FINA 3351.R01

Dr. H. Swint Friday, PhD., CFP.

SPRING II 2019: Tuesday and Thursday 5:40 pm – 8:30 pm

Office Hours: TR 1:50-2:50, T 4:05-6:05, W 6:05-7:05, R 3:15-4:15, 6:55-7:55,

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Assistant: Nhieu.Bo@enestegg.us

FINA 3351

Dr. Friday's Spring 2020 Teaching Schedule

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|-----------------------------------|--------------|----------------|
| Financial Management | FINA3310.R01 | TR 2:50 - 4:05 |
| Intermediate Financial Management | FINA3320.R01 | R 4:15 - 6:55 |
| Insurance Principles | FINA3351.R01 | W 7:05 - 9:35 |

Course Description:

An introduction to basic risk management and the fundamentals of controlling risk personally and in a business setting with a broad-based study of the more common insurance coverages.

Prerequisites:

Junior standing or above.

Required Materials:

- ❖ Required Textbook: **Principles of Risk Management and Insurance**, 13th Edition, Rejda and McNamara (ISBN: 9780134083445); Publisher: Pearson
- ❖ **Website Access**
 - Blackboard: <https://bb9.tamucc.edu/webapps/login/>
 - <http://faculty.tamucc.edu/sfriday/wordpress/> (Course materials and assigned articles)
- ❖ Laptop/desktop computer or tablet availability to access course materials

Learning Objectives:

By the end of this course, the students will be able to:

- ❖ Understand basic insurance terminology and vocabulary.
- ❖ Discuss the methods to handle risk
- ❖ Discuss the principals of the risk management process and use risk management tools
- ❖ Understand the various types of insurance carriers and how they operate
- ❖ Discuss the role of government in insurance
- ❖ A discussion on Life, Health, and Disability Insurance
- ❖ A discussion about Employee Benefit Programs and Employee Retirement Plans
- ❖ Explain the fundamental legal principles and liability risks
- ❖ Analyze insurance policies and contracts
- ❖ Primary Disaster Planning and Recovery
- ❖ Understand personal insurance such as auto and homeowner's insurance
- ❖ Learn Commercial forms of insurance coverage
- ❖ Learn to prepare a risk map and associated risk management analysis for businesses and families

Relationship to Other Courses: This course serves finance majors and minors by providing students a broad understanding of insurance and risk management.

**Important
Notice:**

Some courses may require the use of virtual exam proctoring involving third party providers. Exam-proctoring charges may range from \$1-\$50.00 per exam. When virtual exam proctoring is used, students must schedule the exam session by the required scheduling deadline or they may incur late scheduling charges. All costs for exams are the responsibility of the student. Students may also be responsible for providing at their expense computer, internet and webcam access necessary for the virtual exam proctoring.

Course Policies

Academic Integrity/Plagiarism.

University students are expected to conduct themselves in accordance with the highest standards of academic honesty. Academic misconduct for which a student is subject to penalty includes all forms of cheating, such as illicit possession of examinations or examination materials, falsification, forgery, complicity or plagiarism. (Plagiarism is the presentation of the work of another as one's own work.) In this class, academic misconduct or complicity in an act of academic misconduct on an assignment or test will result in FAILURE and Censure.

Academic Honesty and Student Ethics Code

This course, and all other courses offered by the College of Business (COB), requires all of its students to abide by the COB Student Code of Ethics (available online at www.cob.tamucc.edu) Provisions and stipulations in the code are applicable to all students taking College of Business courses regardless of whether or not they are pursuing a degree awarded by the COB.

Assurance of Academic Integrity

Students may be asked to redo any portion of the class assignments and exams in a proctored environment which may employ the use of a webcam. Should the grade be more than one letter grade lower than the original grade, no credit will be given for the work and the grade for the audited work will be replaced with the score of the comprehensive final exam, which will then be given in a proctored location. Should the final exam be audited, the lower grade will count in calculating the course grade.

Dropping a Class

I hope that you never find it necessary to drop this or any other class. However, events can sometimes occur that make dropping a course necessary or wise. Please consult with me before you decide to drop to be sure it is the best thing to do. Should dropping the course be the best course of action, you must initiate the process to drop the course by going to the Student Services Center and filling out a course drop form. Just stopping attendance and participation WILL NOT automatically result in your being dropped from the class. See the University Academic Calendar for the last day to drop the course with a "W" this term.

Classroom/professional behavior

Texas A&M University-Corpus Christi, as an academic community, requires that each individual respect the needs of others to study and learn in a peaceful atmosphere. Under Article III of the Student Code of Conduct, classroom behavior that interferes with either (a) the instructor's ability to conduct the class or (b) the ability of other students to profit from the instructional program may be considered a breach of the peace and is subject to disciplinary sanction outlined in article VII of the Student Code of Conduct. Students engaging in unacceptable behavior may be instructed to leave the classroom. This prohibition applies to all instructional forums, including classrooms, electronic classrooms, labs, discussion groups, field trips, etc.

Grade Appeals*

As stated in University Procedure 13.02.99.C2.01, Student Grade Appeal Procedures, a student who believes that he or she has not been held to appropriate academic standards as outlined in the class syllabus, equitable evaluation procedures, or appropriate grading, may appeal the final grade given in the course. The burden of proof is upon the student to demonstrate the appropriateness of the appeal. A student with a complaint about a grade is encouraged to first discuss the matter with the instructor. For complete details, including the responsibilities of the parties involved in the process and the number of days allowed for completing the steps in the process, see University Procedure 13.02.99.C2.01, Student Grade Appeal Procedures. These documents are accessible through the University Rules Web site at:

http://www.tamucc.edu/provost/university_rules/index.html.

For assistance and/or guidance in the grade appeal process, students may contact the Dean's office in the college in which the course is taught or the Office of the Provost.

Disabilities Accommodations*

The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you believe you have a disability requiring an accommodation, please call or visit Disability Services at (361) 825-5816 in Corpus Christi Hall 116.

If you are a returning veteran and are experiencing cognitive and/or physical access issues in the classroom or on campus, please contact the Disability Services office for assistance at (361) 825-5816.

Statement of Academic Continuity

In the event of an unforeseen adverse event, such as a major hurricane and classes could not be held on the campus of Texas A&M University–Corpus Christi; this course would continue through the use of Blackboard and/or email. In addition, the syllabus and class activities may be modified to allow continuation of the course. Ideally, University facilities (i.e., emails, web sites, and Blackboard) will be operational within two days of the closing of the physical campus. However, students need to make certain that the course instructor has a primary and a secondary means of contacting each student.

Performance Evaluation, Grading and Course Policies:

Test materials come from lecture notes, the text, assigned readings, homework assignments, and class discussion. Test format is multiple choice, multi-part problem solving, and discussion. Questions will emphasize understanding and application of concepts and topics covered.

Grades will be assigned the following point levels: *

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| Exam 1 | 100 |
| Exam 2 | 100 |
| Exam 3 | 100 |
| Exam 4 | 100 |
| Quizzes, Homework and Participation | 100 |

The standard alphabetical grading scale is employed:

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|------------------|------------------|
| A: 90% and Above | D: 60% to 69% |
| B: 80% to 89% | F: 59% and Below |
| C: 70% to 79% | |



Test dates are announced one week prior to the exam date. If you must miss an exam, to qualify for a make-up exam, notify me in advance and provide comprehensive documentation from the appropriate entity within one week of the exam that the absence was an excused University activity, severe illness, or emergency. Assignments are due at the beginning of the class on their due date. Late assignments are penalized 20 percentage points for each business day that they are late.

I expect everyone to follow all rules of common courtesy during classroom lecture and discussion. The presence of cell phones and pagers or any other disruptive items or actions are prohibited in the classroom. If a pattern of disruptive behavior persists, action will be taken to have the disruptive party removed from the course.

Oral and Written Communication Requirements

Students are required to prepare formal written oral assignments for the semester. Effective written communication is also necessary for exams. Students are expected to participate actively in class discussion of the topics and issues covered in the course, and will be rewarded though their class participation grade for doing so.

Technological Applications:

Students are required to use computer applications, computer databases, and online information services for this course. Written presentations must be prepared with word processing software and the use of computer graphics and computer-based visuals is encouraged.

Ethical Perspectives:

Financial management deals with money. Any time money is involved, ethical issues come into play. Securities analysis and trading may present ethical problems for both dealers and investors. While this course does not deal with securities law in depth, we will discuss such topics as insider trading securities manipulation and fiduciary responsibilities.

Global and Diversity Perspectives:

Risk management is a global personal and business concern creating a global market for a wide array of insurance and risk management products.

Political, Social, Legal, Regulatory, and Environmental Perspectives:

The course will consider the structure, laws and regulation of financial markets and economic systems.

Attendance Policy:

Attendance is required and is reflected in the student’s participation grade. Every student is responsible for their homework assignments, lecture notes, handouts, and exams. Excuses are not accepted unless a student gains prior permission for missing a class, assignment, or exam. Gaining class notes for missed classes from other students is encouraged. The student is responsible for collecting all handouts and assignments from the professor for all classes that are missed. Excessive absences will result in lower grades.

FALL 2019 Academic Calendar - Updated

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| Martin Luther King, Jr. Holiday | January 20, 2020 |
| Classes begin Regular Spring and 1st 7-Week Session | January 21, 2020 |
| Last day to register or add a class | January 28, 2020 |
| Mid-Term Grading | March 4-25, 2020 |
| Spring Break | March 9-13, 2020 |
| Campus Closed | March 12-13, 2020 |
| Last Day of classes for 1st 7-Week Session and Final Exams | March 17, 2020 |

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| First Day of Classes 2nd 7-Week session | March 18, 2020 |
| Grades due for 1st 7-Week session | March 20, 2020 |
| Last day to drop a class | April 10, 2020 |
| Last day to apply for Spring graduation | April 16, 2020 |
| Last day to withdraw from the University | May 5, 2020 |
| Last day of classes Regular Spring & 2nd 7-Week Session | May 6, 2020 |
| Reading Day | May 7, 2020 |
| Final examinations | May 8, 11-14, 2020 |
| Grading days | May 15-18, 2020 |
| Spring Commencement | May 16, 2020 |
| Spring grades due | May 19, 2020 |
| Faculty End Date | May 22, 2020 |

NOTE: Dates of holidays are tentative, pending approval by The Texas A&M University System. Board of Regents. For the latest information on dates and deadlines, please consult the appropriate class schedule.

FINA-3351 Preliminary Schedule***

| Content | Chapter | Coverage Start Date |
|---|--------------------|-----------------------------------|
| PART I | | |
| Insurance and Risk | 2 | Wednesday, January 22, 20 |
| Introduction to Risk Management | 3 | Wednesday, January 22, 20 |
| Insurance Company Operations | 6 | Wednesday, January 29, 20 |
| Government Regulations of Insurance | 8 | Wednesday, February 5, 20 |
| Fundermental Legal Principles | 9 | Wednesday, February 5, 20 |
| EXAM 1- Chapters 2-9 | 2,3,6,8,9 | Wednesday, February 12, 20 |
| PART II | | |
| Analysis of Insurance Contracts | 10 | Wednesday, February 12, 20 |
| Life Insurance | 11 | Wednesday, February 19, 20 |
| Life Insurance Contractual Provisions | 12 | Wednesday, February 19, 20 |
| Annuities and Individual Retirement Accounts | 14 | Wednesday, February 26, 20 |
| EXAM 2- Chapters 10-14 | 10-12,14 | Wednesday, March 4, 20 |
| Healthcare Reform: Individual Healthcare Coverage | 15 | Wednesday, March 18, 20 |
| Employee Benefits: Group Insurance and Health Insurance | 16 | Wednesday, March 25, 20 |
| Employee Benefits:Retirement Plans | 17 | Wednesday, April 1, 20 |
| Social Insurance | 18 | Wednesday, April 1, 20 |
| EXAM 3- Chapters 15-18 | 15-18 | Wednesday, April 8, 20 |
| PART III | | |
| The Liability Risk | 19 | Wednesday, April 8, 20 |
| Auto Insurance | 20 | Wednesday, April 15, 20 |
| Homeowners Insurance, Section I | 22 | Wednesday, April 15, 20 |
| Homeowners Insurance, Section II | 23 | Wednesday, April 22, 20 |
| EXAM 4- Chapter 19-23 | 19,20,22,23 | Wednesday, April 29, 20 |

Total Contact Hours - 90 Recommended outside study hours or 2 hours for each 1 hour in class.

*****Dates and coverage are best estimates and subject to change.**