BA 385

PRINCIPLES OF RISK AND INSURANCE

Fall 2012

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Office Hours:  M 10:00 am - 12 noon
               1:00 pm - 3:00 pm
               T  5:45 pm - 6:15 pm (UCD)
               TR 9:00 am - 9:30 am
               R  1:00 pm - 3:00 pm


Course Description:  A survey of the general principles of risk management and insurance. Topics covered include life, health, disability, automobile, homeowner's and liability insurance. The course content will also include Social Security and worker's Compensation.

Course Objectives:  The major objectives of “Principles of Risk and Insurance” are:
1) To provide the student with an understanding of the nature of risk, risk management and the theory and practices of insurance.
2) To familiarize the student with the major types of insurance policies which are utilized by families and businesses. Insurance contracts and various government coverage reviewed will be auto, homeowner's, life, health, disability and business policies. Social Security, Worker's Compensation and Unemployment Compensation will be studied. Insurance as an institution will also be examined.
Rubric:

<table>
<thead>
<tr>
<th>Criteria (Course Objectives)</th>
<th>1 (Unsatisfactory)</th>
<th>2 (Emerging)</th>
<th>3 (Proficient)</th>
<th>4 (Exemplary)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) To provide the student with an understanding of the nature of risk, risk management and the theory and practices of insurance.</td>
<td>Students fail to understand risk and the theory of insurance</td>
<td>Students have a minimum understanding of risk and the theory of insurance</td>
<td>Students have a good understanding of risk and the theory of insurance</td>
<td>Students completely understand risk and the theory of insurance</td>
</tr>
<tr>
<td>2) To familiarize the student with the major types of insurance policies which are utilized by families and businesses including life, health, auto, and homeowners insurance.</td>
<td>Students fail to understand the major types of insurance utilized by families and businesses</td>
<td>Students have a minimum understanding of the major types of insurance utilized by families and businesses</td>
<td>Students have a good understanding of the major types of insurance utilized by families and businesses</td>
<td>Students completely understand the major types of insurance utilized by families and businesses</td>
</tr>
<tr>
<td>3) To familiarize the student with government sponsored insurance program such as Social Security, Medicare, Medicaid, disability and unemployment insurance.</td>
<td>Students fail to understand government sponsored insurance</td>
<td>Students have a minimum understanding of government sponsored insurance</td>
<td>Students have a good understanding of government sponsored insurance</td>
<td>Students completely understand government sponsored insurance</td>
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Course Prerequisite: Junior Standing (55 SH)

Course Requirements: The course is based on: (1) 4 tests (96%), and (2) class projects and class participation (4%). Class attendance is mandatory and attendance policies in the General Catalog will be followed. All students enrolled at the University shall follow the tenets of common decency and acceptable behavior conducive to a positive learning environment. (See Student’s Guide Book)

1. Exams (96%):

Four exams will be given during the term. Each will count 24% toward the final grade. Make-up exams will be given only for excused absences and will be administered with the final exam. There is no comprehensive exam in this course.

2. OUTSIDE READINGS AND CLASS PROJECTS AND PARTICIPATIONS:

(A) - (2%) During each class meeting scheduled below, students will come to class prepared to discuss the topic scheduled for the date indicated. This preparation will require at least one news article from a newspaper, a current periodical, radio or TV reports. These sources will be identified and will be turned in at the end of the class period. No late submissions will be accepted except for excused absences. Fewer than 5 articles = no points.
TOPIC                                      DATE*
1. Auto Rental Insurance                   September 13
2. Liability Insurance                     September 27
3. Life Insurance Accelerated Benefits    October 11
4. Credit Card Life and Disability Insurance October 16
5. Nursing Home Insurance                  October 25
6. Health Insurance for Retirees           November 1
7. Dread Disease Insurance                 November 8
8. Athlete Career Ending Disability Coverage November 13

*depends on class progress and exam schedule.

(B) - (2%) Each student will contact an Insurance company/agent and obtain information on an insurance policy to be brought to class for discussion purposes and to be turned in by Friday, November 9th.

Grading Computation The course grade will be determined by completion of the course requirements with averages on tests, outside readings and class participation as follows:

<table>
<thead>
<tr>
<th>Accumulated Percentages</th>
<th>Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>90-100%</td>
<td>A</td>
</tr>
<tr>
<td>80-89%</td>
<td>B</td>
</tr>
<tr>
<td>70-79%</td>
<td>C</td>
</tr>
<tr>
<td>60-69%</td>
<td>D</td>
</tr>
<tr>
<td>&lt; 60%</td>
<td>F</td>
</tr>
</tbody>
</table>

Statement of Ethical and Professional Conduct:

The College of Business and technology at Texas A&M University – Commerce faculty, staff and students will follow the highest level of ethical and professional behavior. We will strive to be recognized as a community with legal, ethical and moral principles and to teach and practice professionalism in all that we do.

In an academic environment we will endeavor to not only teach these values but also to live them in our lives and daily work. Faculty and staff will be held to the same standards and expectations as our students.

Failure to abide by these principles will result in sanctions up to and including dismissal.

Actionable Conduct:

These are five different types of actions that will bring sanction. They are:
1. Illegal activity: Violation of any local, state or federal laws that prohibit the offender from performance of his or her duty.

2. Dishonest conduct: Seeking or obtaining unfair advantage by stealing or receiving copies of tests or intentionally preventing others from completing their work. In addition falsifying of records to enter or complete a program will also be considered dishonest conduct.

3. Cheating: The unauthorized use of another’s work and reporting it as your own.

4. Plagiarism: Using someone else’s ideas and not giving proper credit.

5. Conclusion: Acting with others to perpetrate any of the above actions regardless of personal gain.

Sanctions:

In the case of staff or faculty the immediate supervisor will be the arbiter of actionable behavior and will use Texas A&M University - Commerce and/or Texas A&M University System Policy and Procedures as appropriate to guide sanctions.

Faculty, guided by clearly delineated policy in the course syllabus, will be arbiter for in-class violations. All violations will be reported to the dean of the college of Business and technology to assure equity and to provide appropriate counsel. In addition, the Dean will maintain the records of violations by students. Second violations will be reviewed by the Dean and sanctions beyond those of the faculty up to and including suspension and permanent expulsion from Texas A&M University – Commerce will be considered. Faculty and students are guided by the current undergraduate and graduate catalogs of the university as well as The Students Guidebook.

Faculty, Staff and Students will always be afforded due process and review as appropriate.

Special Accommodations:

Students with Disabilities:

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 have a disability requiring an accommodation, please contact:

Office of Student Disability Resources and Services

Texas A&M University - Commerce

Gee Library, Room 132

Phone (903) 886-5150 or (903) 886-5835

Fax (903) 468-8148
Classroom Demeanor “All students enrolled at the university shall follow tenets of common decency and acceptable behavior conducive to a positive learning environment”. See Students Guide Book.

Attendance Policy You are expected to be present for all class meetings of this course. You will be allowed to make up work for classes you miss only if your absence is excusable. Excusable absences are defined in the current University Catalog.

Special Needs “Request from students with disabilities for reasonable accommodations must go through the academic support committee. For more information, please contact the office of Advisement Services, BA 314, 903 886 5133.

Course Schedule:

Section I The nature of risk management; the legal environment of insurance; fundamental insurance doctrines and the structure of insurance contracts.
Chapters 1-5: Aug 28 – Sep 18
Exam I: Sep 20

Section II Property and Liability Risks
Chapters 6-9, Appendices A and B: Sep 25 - Oct 16
Exam II: Oct 18

Section III Life Insurance types of Life Insurance, Costs, and Coverage
Chapters 13 -16, Appendix E, Class Handouts: Oct 23 - Nov 13
Exam III: Nov 15

Section IV Health Insurance and Employee Benefits Health Issuance Disability Insurance, Social Security, Work's Compensation and Unemployment Compensation.
Chapters 12, 17-21: Nov 20 - Dec 11
Exam IV: Tuesday, Dec 11, 10:30 am – 12:30 am

*Will depend on class progress; chapter assignments and order of coverage may be altered as the class progresses.