Finance 138

PRINCIPLES OF RISK MANAGEMENT AND INSURANCE

COURSE SYLLABUS

COLLEGE OF BUSINESS ADMINISTRATION
CALIFORNIA STATE UNIVERSITY, SACRAMENTO

Spring 2013

Note: it is the student's responsibility to read and understand the content of this syllabus.
INSTRUCTOR  Eric C. Lin, Ph.D., CFP®

HOW TO REACH YOUR PROFESSOR
Office: College of Business Administration, Tahoe Hall Room 2058
Phone: (916) 278-7229   E-mail: SacCT/Blackboard e-mail (preferred contact method)

SCHEDULE
Office Hours:
Monday & Wednesday: 10:15-11:45am.

In addition to regularly scheduled office hours, I am available by appointment, telephone, and e-mail. I will make myself available to assist you, provided you do not wait until the last minute to try and contact me.

PURPOSE OF THIS SYLLABUS
This syllabus is my contract with you. By remaining in this course, you are agreeing to the terms and conditions set forth in this contract. You are required to sign the “Class Contract” (see page #7) and return it to your instructor by Wednesday, February 6, 2013. It is your responsibility to read this document and understand what is expected of you. Also, I reserve the right to make any changes to this syllabus.

COURSE OBJECTIVE
This course teaches personal risk management. The lectures and readings emphasize practical decision making with respect to pure loss exposures, with a strong focus on the consumer’s need for insurance. After successfully completing this course, students should be able to manage their personal risks and deal effectively and confidently with the insurance mechanism.

Prerequisites
Business Pre-Major Courses or Instructor Permission.

REQUIRED READINGS

GRADING POLICIES AND ASSIGNMENTS
Course Grade:

| Exam #1 | 100 pts | A  =  > 92%  | C  =  73%-76%; |
| Exam #2 | 100 pts | A- = 90% - 91% | C- =  70%-72% |
| Final Exam | 100 pts | B+ = 87%-89%; | D+ = 67%-69%; |
| HW & Participation | 100 pts | B  =  83%-86%; | D  =  63%-66%; |
| Total Possible Pts | 400 pts | B- = 80%-82% | D- =  60%-62% |
|                     |        | C+ = 77%-79%; | F  =  < 59% |

Exams/Assignments:
Exams are a mixture of multiple-choice, true/false questions.
**Requesting Grades:**
Throughout the semester, your exam grades are available only in class or via SacCT. Do NOT call to ask for your grades.

Any grade request you send must come from your CSUS e-mail or SacCT account. This policy ensures the privacy of your grades.

**Make-up Examination Policy**
If you miss an examination, you or your legal representative must contact me within two (2) calendar days after the missed examination to explain your reason for missing the exam. You may be administratively withdrawn from the course with a grade of “WF” if you fail to contact me within 2 calendar days of the missed exam.

If you are allowed a make-up examination, your make-up examination may be different in format from that given to the rest of the class. The material covered will be the same, but make-up examinations may take any form, and be of any length.

You will receive a grade of ZERO for any missed examination, unless you provide SUBSTANTIAL documentation that you missed the exam because of: 1) Foul weather 2) Severe personal illness 3) Severe illness, or death, of a parent, sibling, child, or grandparent. 4) Jury or military service 5) A university-sponsored event approved by the Dean of Students 6) Car trouble or accident 7) Some other reason that is approved in advance by the professor

What constitutes substantial documentation?

- Foul Weather Absence: Photographs, weather reports, newspaper clippings, police reports
- Illness: Note from a physician, PLUS a copy of the bill for medical services rendered
- Death of Relative: Letter from clergy or physician, and/or copy of obituary
- Jury or Military Service: Official letter/summons from the governmental body
- University-sponsored Event: Official documentation from the Associate Dean of Undergraduate Students
- Car Trouble: Towing and labor receipt or police report

Do NOT e-mail me to inform me that you will be missing an exam for any reason other than those cited above! This has happened in the past–the student e-mails me to say, “I’m going to the funeral of a friend, I hope you will let me take a make-up when I get back,” and is then shocked when I don’t allow it. The acceptable reasons for missing an examination are shown above, and you should observe them carefully before choosing to miss an exam.

**ATTENDANCE POLICY**
I expect that you will attend class. I take attendance, and reserve the right to reward extra credit for attendance. Extra credit is not guaranteed, but if extra credit is awarded, all your absences “count” against the extra credit, regardless of your reason for missing. I will drop you with a WF for one reason, and that is missing an exam without contacting me. If you miss an exam, and I do not hear from you within 2 calendar days, I reserve the right to drop you with a WF. Even if you are missing the exam because you intend to drop the course, you still should exercise the courtesy to let me know this. I do not tolerate chronic tardiness, nor is it acceptable for you to leave class early on a regular basis. Attendance may be taken at the beginning, middle, or end of class. If you are not in class when I take attendance, you are absent for that day.
IF YOU CHOOSE TO MISS CLASS
I provide all the information I want you to have in class, and I will not repeat this information for you outside of class, regardless of your reason for missing class. My philosophy is “if you do not make time to attend the majority of class sessions, I will not make time for you outside of class.”

An exam schedule is included in this syllabus; however, exam dates may change. If you miss any exam because you were not in class the day the schedule change was announced, you will receive a ZERO for that examination, and you will not be allowed to have a make-up examination.

The material you are responsible for on each exam will be clearly explained in class. If you are absent the day this information is provided, you are responsible for obtaining it from someone else. If any homework or other assignments are given in class on a day you miss, you are responsible for getting copies of the assignments, and turning them in when they are due. Deadlines will not be extended for those who miss class.

In summary, it is YOUR responsibility to obtain ALL information provided in class, even if you are absent. I will not provide lecture notes, schedule changes, homework assignments, or individual tutoring, regardless of the reason for the absence. Do not come by my office, or e-mail me to find out what took place in class. (If you do, I will simply refer you to this section of the syllabus.)

EXAM POLICIES & PROCEDURES
Bring a #2 pencil, scantrons (882-E), and a calculator to each exam.

If you are more than five minutes late (by my watch) to the examination, your exam grade will be reduced two points for each minute (over five minutes) that you are late. If at all possible, try to arrive in the room five minutes before your class normally begins. The sooner you get there and get ready, the sooner you can get the exam, and the more time you will have to complete it.

When space is available in the classroom, leave one empty seat in between you and any other student. Sit DIRECTLY BEHIND the student in front of you, and not in a seat that puts you at an angle from them. (In other words, where seating is provided, sit in a columnar formation).

All books, papers and notes put must be in a CLOSED bag, or left at the front of the room. The only items you should have on your desk are pencils/pens and a calculator. The exam begins as soon as everyone is “ready.”

Once you have turned in your scantron form you may not change anything on it, and whatever grade the machine assigns you for that exam is final. Our scantron grading machine is very sensitive to erasure marks, paper creases, etc. I always bring plenty of extra scantron forms for you to use. If you need an extra one during the exam, feel free to ask. I will not give you credit for a question because you made a mistake transferring your answers from the exam book to the scantron, nor will I give you credit for any answers that the machine cannot read.

When you are asked to turn in exam papers, you must do so, or yours will not be graded and you will receive a zero for that examination.
OTHER IMPORTANT COURSE POLICIES

Disabilities:
The College of Business Administration complies with the Americans with Disabilities Act in making reasonable accommodations for qualified students with disabilities. If you have a disability and require accommodations, you need to provide disability documentation to SSWD, Lassen Hall 1008, (916) 278-6955. Please discuss your accommodation needs with me after class or during my office hours early in the semester.

English:
As a student at this University, you are expected to understand the English language. Unless you have a documented learning disability, you may not use supplementary materials on any in-class examination (such as a dictionary, or computerized foreign language translator).

Academic Honesty:
Any situation involving academic dishonesty may result in an automatic grade of "F" in the course, the removal of the student from the course, and/or immediate reporting of the student's actions to the office of the Associate Dean of Undergraduate Studies and to the Office of the Dean of the College of Business. Cheating includes collaboration on any outside assignments, unauthorized preparation of notes for use on examinations, use of such notes during an examination, looking at another student's examination answers, allowing another student to look at your own examination answers, the requesting or passing of information during an examination, and the sharing of calculators during an examination. Student Tutorial on how not to plagiarize: http://library.csus.edu/content2.asp?pageID=353

Laptop and cell phone regulation:
No web surfing, photographing, recording, or text messaging is allowed without permission of the instructor. Please put away laptop, cell/smart-phone, and other electronic device.

Syllabus revision:
During the semester, this syllabus may be revised by the instructor.
TOPIC OUTLINE/SCHEDULE

- **Week 1 (Jan. 28):** Course Introduction and Chapter 1 (Risk in our society).
- **Week 2 (Feb. 4):** Chapter 1 (cont’d), Chapter 2 (Insurance and risk) & Chapter 3 (Risk Management: Fundamental Tools).
  - Read the Texas Bank Tornado Case
  - In-class group assignment
- **Week 3 (Feb. 11):** Chapter 3 (cont’d) & Chapter 5 (Types of insurers and marketing systems)
- **Week 4 (Feb. 18):** Chapter 6 (Insurance company operations) & Chapter 8 (Insurance Markets and Regulation)
- **Week 5 (Feb. 25):** Review of Exam #1 & Exam #1

- **Week 6 (Mar. 4):** Chapter 9 (Legal principles) & Chapter 10 (Structure and Analysis of Insurance Contracts)
- **Week 7 (Mar. 11):** Chapter 19 (Liability Risk) & Homeowners (HO) Insurance Policy, Liability & Property Risk Management (Chapters 20 & 21)
- **Week 8 (Mar. 25):** Spring Break (no class)
- **Week 9 (Apr. 1):** HO Policy (cont’d) & Personal Auto Policy (PAP) --- Chapters 21, 22, 23
- **Week 10 (Apr. 8):** Personal Auto Policy (cont’d) & Exam #2

- **Week 11 (Apr. 15):** Life Insurance, Chapters 11, 12, 13
- **Week 12 (Apr. 22):** Life Insurance (cont’d) & Life Annuities Chapter 14
- **Week 13 (Apr. 29):** Life Annuities (cont’d) & Health Insurance Chapter 15
- **Week 14 (May 6):** Health Insurance (cont’d)
- **Week 15 (May 13):** Long-term Care Insurance, Disability Insurance, and Other Important Insurance Policies Chapter 15
- **Week 16** Final Exam (TBA)
CLASS CONTRACT
FINANCE 138
Principles of Risk Management and Insurance
Spring 2013
INSTRUCTOR: Dr. Eric C. Lin

If you do not return the signed contract to Dr. Lin on or before Wednesday, February 6, 2013 you may be administratively dropped from the course!

I, ________________________________, certify that I have read the syllabus in its entirety, and that I understand all the provisions it contains. I agree to abide by all terms and conditions of the syllabus.

________________________________________
Your Signature and Today’s Date

________________________________________
Print your Name and CSUS Student ID Number