

Monfort College of Business
Semester Course Syllabus

(2009-2010)

COURSE PREFIX/TITLE: BAFN 340--Principles of Risk and Insurance

Sem. Hrs. 3
Ed. Cap. 40

CATALOG DESCRIPTION: Business majors only. Juniors or above. Theory of risk and risk bearing; arrangements; insurance industry, types of insurers, functions of insurers and government regulation of insurance; social insurance; and basic features of selected insurance contracts.

PREREQUISITES: Business majors only. Juniors or above.

COURSE OBJECTIVES:

1. To examine the concept of risk and its economic impact on society.
2. To examine the concept of risk and various methods dealing with risk including risk assumption, reduction, and transfer.
3. To provide an in-depth understanding of the nature and function of health insurance and health exposures as well as methods of dealing with those exposures.
4. To explore legal liability and property exposures and the proper treatment of those exposures including insurance applications.
5. To provide an understanding of risk and insurance applications in an international setting.
6. To demonstrate the use of computers to solve risk evaluation as well as insurance application problems.

COURSE TOPICS:

Approx.
50 Min.
Periods

	<u>Topics Covered</u>	<u>Description</u>
4	Basic Principles of Insurance and Risk Management	Conceptual framework of insurance including its functional characteristics and the requisites of an insurable risk management survey including the nature of the risk management process.
4	Fields of Insurance and the Insurance Industry	An exploration of the various fields of insurance including social, private, and public insurance as well as an analysis of the structure of the insurance industry including varieties of insurers, market shares, methods of competition.
4	Actuarial and Financial Aspects of Insurer Operations	Analysis of insurance rates, rate making function, including reinsurance applications as well as tax related issues. Government as an insurer will also be explored through analysis of governmental insurance of various varieties.

Approx.
50 Min.
Periods

	<u>Topics Covered</u>	<u>Description</u>
4	Insurance Regulation in the Legal Framework of Insurance	An exploration of the government as an insurer including regulation today and how it is conducted. The legal framework of insurance including the requirements of an insurance contract and interpretation rules relevant to insurance contracts.
6	Life Risks and Life Insurance	The unique function of life insurance, life insurance premium calculations, provisions of life insurance contracts, specialized life insurance policy forms.
4	Health Exposure and Health Insurance	Study of health insurance exposures and treatment including but not limited to a disability income exposures, medical expense exposures, and the impact of national health plan.
8	Property Insurance	A study of property exposures and property insurance contracts. Topics will include the homeowners coverages, monoline insurance coverages, title insurance, inland marine coverages, flood insurance, and commercial property forms.
8	General Liability Exposures, Risk Management, and Insurance	Study of the nature and impact of the rules of negligence and legal liability. Analysis of specific exposures and insurance contracts including auto insurance, commercial liability insurance and workers compensation exposures and coverages.
<u>3</u>	International Risk and Insurance	A study of international risk exposures, methodologies for dealing with those exposures, and international insurance markets.
45	Total	

COURSE REQUIREMENTS: Examination(s), homework, projects and quizzes as needed.

TYPE OF GRADING: Letter

SUGGESTED TEXT AND/OR SUPPLEMENTS: (Note: These books are only suggested. Prior to purchasing books and other materials, students need to check with the class instructor for their book and class material choices.)

Vaughan and Vaughn (2008). Fundamentals of risk and insurance, (10th ed.). Wiley and Sons, Inc.

ASSESSMENT STATEMENT: The Monfort College of Business may collect data in this course that will be used to assess student progress toward our program learning goals and objectives. Individual student performance information will be kept confidential; however, this data may be disseminated in an aggregate form to professional groups and through research publications. If you do not wish your performance in this class to be included in research about overall student performance (beyond the accreditation process), please inform your instructor in writing of this intent.

COMPUTER UTILIZATION: Students are encouraged to use the College's computing facilities to complete their assignments. The student computer labs in Kepner Hall provide support for word processors, spreadsheets, databases, writing-style checkers, and presentation graphics. Internet and e-mail access are available in the labs. Student consultants are on duty at the labs to assist with these applications.

LIBRARY UTILIZATION: Students are encouraged to use the Michener Library collections and online subscription information resources to supplement readings and to complete assignments. Library databases include *Business Source Premier*, *Business & Company Resource Center*, *LexisNexis Academic*, and many others available at <http://library.unco.edu/articlefinder.htm>. The business reference librarian, Annie Epperson, holds regular Kepner office hours. Find her contact information <http://www.unco.edu/library/personnel/epperson.htm>.

GLOBAL DIMENSION COVERAGE: Some aspects of global risk and insurance will be covered in the course, such as Lloyd's reinsurance market, war risk policies, etc.

ETHICAL DIMENSION COVERAGE: Ethics are considered in the course as they relate to employee safety, risk reduction approaches, equity in rate making, and claims practices, including the problems of fraudulent claims.

DISABILITY STATEMENT: Any student requesting disability accommodation for this class must inform the instructor giving appropriate notice. Students are encouraged to contact Disability Support Services at (970) 351-2289 to certify documentation of disability and to ensure appropriate accommodations are implemented in a timely manner.

CLASSROOM TECHNOLOGY GUIDELINES:

Each student is required to review and become familiar with the following classroom technology guidelines: <http://www.mcb.unco.edu/Technology/Classroom%20Technology%20Guidelines.pdf>

Food is not allowed in classrooms. Only drinks in a container with a screw top lid are allowed.

KENNETH W. MONFORT COLLEGE OF BUSINESS STATEMENT

The Kenneth W. Monfort College of Business students are expected to conduct themselves in accordance with the highest standards of academic honesty. Cheating, plagiarism, illegitimate possession and disposition of examinations, alteration, forgery, or falsification of official records and documents, and

similar acts or the attempt to engage in such acts are grounds for disciplinary action. This action can include the following in addition to any University disciplinary action:

1. A failing grade for a particular assignment.
2. A failing grade for a particular course.
3. Suspension from the College of Business Administration.
4. Expulsion from the College of Business Administration.

Students are expected to complete all prerequisites for a business class prior to the first day of class. Students may not concurrently enroll in a class and its prerequisite(s) unless it is expressly stated in the bulletin that the class is a co-requisite. Any exception to this policy must be approved by the Director of the School offering the class.

Students must submit original works for assignments required in this class. This includes term papers, cases and other course requirements. A student who submits a work that was previously submitted to another class without prior approval from the instructor is in violation of this policy. A student who violates this policy may receive a failing grade for the assignment, a failing grade for the class, and face termination of his/her business degree program.

MONFORT COLLEGE OF BUSINESS STUDENT CODE OF PROFESSIONAL CONDUCT:

Monfort College of Business students represent the professional and academic interests of the entire MCB & UNC communities. Accordingly, MCB expects all students to behave in a professional manner and adhere to high ethical standards in every business class and in every activity connected with the Monfort College of Business. This professional behavior is required not only in the classroom but also in all MCB-related interactions such as e-mails, conferences and use of technology.

MCB students should exhibit respectful behavior in classes. This behavior includes arriving on time to class, staying in class until the lecture ends, having the discipline to stay engaged in class, turning-off or silencing cell phones and pagers while in class, refraining from text-messaging, and avoiding coming to class wearing clothing that is unduly provocative or has written messages that are rude, insensitive or obscene. MCB students should engage in respectful behavior in all activities where they act directly or indirectly as a representative of the MCB. Respectful behavior creates a more desirable, civilized, and productive learning environment, and it models behavior that is both productive and pleasant when students transition from the classroom to the workplace.

MCB students should master and apply the fundamental skill of preparing and sending class or university related e-mails that are properly written, show professionalism and communicate a clear message. E-mails containing profanity, spelling mistakes, punctuation errors, or poor composition evidence sloppiness and show disrespect to the recipient. MCB students should use proper forms of address when communicating orally or in writing with faculty or staff (i.e., Dr. Smith, Professor Jones, Ms. Abbot, etc.). If a student does not know how to address a faculty member, he or she should ask.

This code of professional conduct complements, but does not replace, the Honor Code of the Monfort College of Business or the Honor Code of the University.

Updated: August 21, 2008

By: Unknown

Rolled Over: September 1, 2009

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