PELLISSIPPI STATE TECHNICAL COMMUNITY COLLEGE
MASTER SYLLABUS

LOSS EXPOSURE & RISK MANAGEMENT
INP 1700

Class Hours: 3.0   Credit Hours: 3.0
Laboratory Hours: 0.0   Date Revised: Spring 00

Catalog Course Description:

The study of the treatment of loss exposure using insurance and other techniques in determining how a person or business can use the risk management approach to treat loss exposure.

Entry Level Standards:

None

Prerequisites:

None

Textbook(s) and Other Reference Materials Basic to the Course:

*CPCU Course Guide*--American Institute of Property and Liability Underwriters

I. Week/Unit/Topic Basis:

<table>
<thead>
<tr>
<th>Week</th>
<th>Topic</th>
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<tbody>
<tr>
<td>1</td>
<td>Loss Exposures and Risk Management</td>
</tr>
<tr>
<td>2</td>
<td>Controlling Loss Exposures</td>
</tr>
<tr>
<td>3</td>
<td>Financing Loss Exposures</td>
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<tr>
<td>4</td>
<td>Measuring Loss Exposures</td>
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<tr>
<td>5</td>
<td>Measuring Loss Exposures (continued)</td>
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<tr>
<td>6</td>
<td>Insurance and Society</td>
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<td></td>
<td>Insurance and the Government</td>
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<tr>
<td>7</td>
<td>Insurable Interest</td>
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<tr>
<td>8</td>
<td>Review and Midterm</td>
</tr>
<tr>
<td>9</td>
<td>Structure of Insurance Contracts; Insured Entities</td>
</tr>
<tr>
<td>10</td>
<td>Insured Events</td>
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</tbody>
</table>
II. Course Objectives*:

A. Determine what loss exposures are, the importance of treating them, and the nature of risk management.
B. Define probability and explain how it may be interpreted temporarily.
C. Describe factors that should be considered when attempting to develop a definition of insurance.
D. List and discuss the different parts of an insurance contract
E. Analyze a given property or liability insurance policy by evaluating insured events, policy limits, and other policy conditions.

*Roman numerals after course objectives reference goals of the Business and Community Services department.

III. Instructional Processes*:

Students will:

1. Take part in course assignments such as team discussions; team case studies; team projects; experiential exercises; oral, written, PowerPoint, and/or email presentations; Internet research; etc. to help develop teamwork, leadership, and followership skills. Communication Outcome, Personal Development Outcome, Cultural Diversity & Social Adaptation Outcome, Information Literacy Outcome, Transitional Strategy, Active Learning Strategy

2. Use critical thinking skills to interpret and evaluate the financial statements of existing companies and make informed judgements about these statements to facilitate in decision making and problem solving strategies. Problem Solving and Decision Making Outcome, Numerical Literacy Outcome, Information Literacy Outcome, Active Learning Strategies

3. Exhibit professional behavior by attending class regularly, arriving punctually with the appropriate materials, and being prepared for active class participation each day. Personal Development Outcome, Transitional Strategy

4. Use email to communicate problems, questions, and issues to the instructor. Communication Outcome, Informational Literacy Outcome, Technological Literacy Outcome

*Strategies and outcomes listed after instructional processes reference Pellissippi State’s goals for strengthening general education knowledge and skills, connecting coursework to experiences beyond the
classroom, and encouraging students to take active and responsible roles in the educational process.

IV. Expectations for Student Performance*:

Upon successful completion of this course, the student should be able to:

1. Explain the terms "Risk Management" and "Loss Exposure".  A
2. Compare risk management techniques and explain advantages and disadvantages of each.  A
3. List and compare financing techniques and explain steps necessary to implement and monitor each technique.  B
4. Explain what measurements are needed to evaluate a given loss exposure and why they are needed.  C
5. Describe how the information obtained from a probability distribution can be used by a risk manager.  C
6. State the characteristics of an ideally insurable exposure.  D
7. Trace the development of insurance regulation in the United States.  E
8. Describe the legal basis on which an insurable interest may vest for property and liability insurance.  D
9. Describe and give examples of specific ways of describing the interest insured in property and liability insurance policies.  C
10. Explain and compare different property insurance approaches to indicating which perils are covered and which are excluded.  D
11. Describe, compare, and give reasons for the major types of policy provisions dealing with valuation of insured property losses.  B
12. Explain the purpose of insurance-to-value requirements.  C
13. Describe and explain the purpose and process of subrogation.  E
14. Explain the following legal doctrines affecting the interpretation of insurance contracts provision; doctrine of adhesion, reasonable expectations, substantial performance, unconscionable advantage, and waiver and estoppel.  C
15. Analyze property and liability insurance policy by evaluating aspects of the policy.  C

*Letters after performance expectations reference the course objectives listed above.

V. Evaluation:

A. Testing Procedures:

<table>
<thead>
<tr>
<th>Test</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Midterm</td>
<td>25%</td>
</tr>
<tr>
<td>Unannounced Quiz</td>
<td>20%</td>
</tr>
<tr>
<td>Final</td>
<td>25%</td>
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B. Laboratory Expectations:
C. Field Work:

Case Studies  20%

D. Other Evaluation Methods:

Attendance   10%

E. Grading Scale:

90 - 100   A
80 - 89     B
70 - 79     C
60 - 69     D
Below 60    F

VI. Policies:

Attendance Policy:

Pellissippi State Technical Community College expects students to attend all scheduled instructional activities. As a minimum, students in all courses must be present for at least 75 percent of their scheduled class and laboratory meetings in order to receive credit for the course.