FIL 355 Insurance Company Operation

Section 01

Syllabus

Fall 2026

Instructor: Dr. Yayuan Ren
Office: SFHB 418
E-mail: yren2@ilstu.edu
Office Phone: 309-438-7779
Office Hours: 1:15-2:00pm on Tuesday; in-person or virtual meetings available by appointment**.**

College of Business Mission

Through our shared commitment to excellence in teaching, research, and service, we prepare students to be skilled and ethical business professionals who will make significant positive contributions to organizations, to communities, and to our larger society.

Academic Integrity

You are expected to be honest in all academic work, consistent with the academic integrity policy as outlined in the Code of Student Conduct and any additional syllabus language. All work is to be appropriately cited when it is borrowed, directly or indirectly, from another source. Unauthorized and/or unacknowledged collaboration on any work, or the presentation of someone else's work as your own, is a form of academic dishonesty under the Code of Student Conduct.

Content generated by an Artificial Intelligence third-party service or site (AI-generated content) without proper authorization and attribution is a form of academic dishonesty. If you are unsure about whether something used in your work requires attribution, please reach out to me to discuss it as soon as possible. Allegations of academic dishonesty will be referred to Student Conduct and Community Responsibilities, for review under the Student Code of Conduct. Students found responsible for academic dishonesty may also be assigned a grade penalty by the instructor.

Artificial Intelligence (AI) Use Policy

To support learning and academic integrity in this course, the use of generative AI tools (e.g., ChatGPT and similar tools) is governed by the following rules:

- Exams and quizzes: Use of AI tools is NOT permitted on any quizzes or exams. Using AI during an assessment constitutes academic misconduct.

- Assignments (default rule): Unless an assignment explicitly states otherwise, the use of AI tools is not allowed for course assignments.
- Assignments where AI is permitted: When an assignment does allow AI use, you must follow the specific instructions provided for that assignment, including what tools may be used and for what purposes. In those cases, you will be required to acknowledge and document your AI use at the end of your submission (e.g., describing the tool used, how it was used, and what you changed or verified).
- Responsible and ethical use: Students are expected to understand the limits and risks of AI (including errors, fabricated information, bias, and privacy concerns). You are responsible for the accuracy and integrity of anything you submit. AI output does not replace your own judgment, course learning, or proper citation practices.

Failure to follow this policy will be handled according to the course and university academic integrity procedures. When it does not conflict with the rules above, students are encouraged to use AI as a learning aid—for example, for brainstorming ideas, proofreading, clarifying concepts, creating study guides, and reviewing for exams. These uses should support (not replace) your own thinking and work.

Course Description

The primary objective of this course is to have the students understand insurance company operations include underwriting, marketing, claims handling, ratemaking, reinsurance, investments, and loss control. Students will also learn the management strategies of insurers and how to assess insurer performance.

Course Prerequisite

- FIL250

Course Modality

FIL355 is a hybrid course that combines in-person lectures and online learning activities.

- In-person lectures: In-person lectures will be held every week at the time and the classroom listed below.

  Class time: 2-3:15pm Tuesday
  Classroom: SFHB 133

- Online asynchronous learning activities: The presentation of the course material will be delivered on Canvas (https://canvas.illinoisstate.edu) Students are required to pre-study the online material prior to an in-person class and finish the associated activities afterward, including assignments and exercises. It is crucial that you keep up with these activities in order to be successful in this class.

Course Materials

Textbook (required): Insurance Operations, 1st edition., published by the Institutes

Exams

There are two online exams throughout the semester. If you know of a valid conflict for these scheduled exams, you should let me know **AT LEAST TWO WEEKS** before the exam date. Only under these conditions will a makeup exam be provided. A student who misses any of the exams without an excused absence prior to an exam will receive zero for that exam.

Assignments

Homework assignments will be posted on the course website. All work must be submitted electronically through Canvas by the posted deadline. Students are responsible for uploading the correct, complete, and readable files. If <u>an incorrect or blank</u> file is submitted, the student will be notified and asked to resubmit the correct file; however, a 50% penalty will be applied to the assignment grade. <u>Late submissions</u> will receive a deduction of 2 points (out of 10) per calendar day past the deadline, unless the student has obtained prior written permission from the instructor. The lowest score assignment score will be dropped in calculating your final grade.

Prep Participation

Because we use class time for discussion and practice, you are expected to complete the assigned online materials before we meet.

Before each in-person class, submit on Canvas (<u>due 1 hour before class</u>):

- a short micro-quiz, and
- one question (or confusion point/application) based on the pre-study materials.

These items make up 10% of your course grade. To allow flexibility for unexpected circumstances, the <u>two lowest Prep Participation scores will be dropped</u>. Late or missed pre-class submissions will receive zero.

In-Class Exercises

In-class exercises will be given during class almost every week. If you miss class on the day of an in-class exercise, you will receive a zero unless your absence is excused. The lowest two scores from your in-class exercises will be dropped in calculating your final grade.

Group Projects

The course includes two group projects: Insurance Company Simulation Game and an insurance company research project. Insurance Company Simulation Game provides students a hands-on experience of managing an insurance company. The research project asks students to conduct a deep analysis on a company's financial statements to assess the company's performance. The detailed instructions and a description of the two projects will be provided at a later time of the semester.

Grading

Weighting of your grade:

The lower exam grade	10%
The higher exam grade	15%
Assignments	20%
Simulation Game	15%
Research project	15%
In-class exercises	15%
Prep Participation	10%
Total:	100%

Your final letter grade will be determined as follows:

A 90-100 points
B 80-89.9
C 70-79.9
D 60-69.9
F ≤ 60

Extra Credits

Extra credits worth up to a maximum total of 3 points toward the final grade (with a full mark of 100 points) will be available to students throughout the semester. The common way to earn these points is to attend workshops or other events related to the course. These opportunities will be announced in class and/or via e-mail as they become available. Attendance at each extra-credit event is worth 1 point. You can also earn extra credits by completing extra-credit assignments, which will be available in mid of the semester. Each extra-credit assignment is worth 1 point.

Accommodation for Students with Disabilities

Any student needing to arrange a reasonable accommodation for a documented disability and/or medical/mental health condition should contact Student Access and Accommodation Services at 308 Fell Hall, Office Phone (309) 438-5853, Video Phone (309) 319-7682, or visit the website at StudentAccess.IllinoisState.edu.

Attendance and Absence

You are responsible for attending class and completing all assigned academic work. You are also responsible for communicating any absences. If you need to miss class due to the loss of a family member, active military duty, or required quarantine/isolation for a serious communicable disease, contact the Dean of Students Office to request that a formal excused absence notice be sent to your instructors. For other absences including routine illness, you need to make arrangements with me in advance. Documentation may be required for any absence to be considered excused.

Grade Appeals

Any student wishing to appeal the way an exam or an assignment is graded must put the appeal in writing and contact me within **ONE WEEK** after they are returned. Appeals must fully explain why the disputed answer deserves additional credit.

Course Outline and Schedule*

The class will meet in the classroom every Tuesday except for a special announcement.

Week	Meeting date	Topic	Readings
1	8/18	Introduction	
2	8/25	Overview of insurance company operation	Ch 1
3	9/1	Insurance marketing and distribution	Ch 3
4	9/8	Underwriting	Ch 6
5	9/15	Insurance claim	Ch 8
6	9/22	Exam One	
7	9/29	Assessing insurer performance (I)	Ch 5
8	10/6	Assessing insurer performance (II)	Ch 5
9	10/13	Insurance ratemaking	Ch 9
10	10/20	Insurance Regulation	Ch 2
11	10/27	Reinsurance	Ch 10
12	11/3	Exam Two	
13	11/10	Insurance operations simulation game (I)	
14	11/17	Insurance operations simulation game (II)	
15	11/24	Thanksgiving break, no class	
16	12/1	Insurance company research project presentation	

***** Note: This schedule is subject to changes and/or additions at the professor's discretion.