COURSE OBJECTIVES
The objective of this course is to provide students with an understanding of terminology, concepts, practices and current issues in the field of employee benefits. This field is rapidly growing in importance for both employees and employers, and is undergoing significant changes. Students completing this course will be able to a) utilize their own employee benefit plans more wisely, b) help employers adapt such plans to meeting business conditions, and c) make informed public policy decisions regarding employee benefits and social insurance programs.

PRE-REQUISITES
I am not particularly concerned about the specific courses you have taken. I do, however, expect that you will have a basic set of skills, derived from earlier courses, before enrolling in Fin 434. In particular, I am expecting that you are familiar with and comfortable with:

a) Present value calculations (you should understand the calculation, not just be able to plug into a financial calculator)
b) Basic probability and statistics (expected value, standard deviation)
c) Basic microeconomics (e.g., consumer utility)

REQUIRED READINGS
In lieu of a textbook for this course, most readings will be included in a course packet available from TIS (on 6th Street in Champaign). These readings should be completed in advance of the appropriate lecture, as we will often be referring to the material and/or using it as the basis for class discussions. This course packet is required.

Lecture outlines, problem sets and solutions, and supplemental readings and handouts will be posted on the course web site (URL listed above). Course announcements will also be posted there. Please check the course web site regularly.
ADMINISTRATIVE INFORMATION

1. GRADING

Your course grade will be determined using the following weights:

<table>
<thead>
<tr>
<th>Assignment</th>
<th>Undergrads</th>
<th>Grad Credit</th>
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<tbody>
<tr>
<td>Mid-term exam #1</td>
<td>80 points</td>
<td>80 points</td>
</tr>
<tr>
<td>Mid-term exam #2</td>
<td>80 points</td>
<td>80 points</td>
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<tr>
<td>Final Exam</td>
<td>120 points</td>
<td>120 points</td>
</tr>
<tr>
<td>Problem Sets</td>
<td>40 points</td>
<td>40 points</td>
</tr>
<tr>
<td>In-class Exercises</td>
<td>20 points</td>
<td>20 points</td>
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<tr>
<td>Participation</td>
<td>30 points</td>
<td>30 points</td>
</tr>
<tr>
<td>Paper (w/ partner)</td>
<td>30 points</td>
<td>70 points*</td>
</tr>
<tr>
<td>Class Presentation</td>
<td>n/a</td>
<td>60 points*</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>400 points</td>
<td>500 points</td>
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The plus / minus system will be used when assigning final course grades. A course average 90 percent (360 points for undergrads, 450 points for grad credit) will earn at least an A-, a course average of 80 percent will earn at least a B-, etc.

* **Important note for students taking course for graduate credit:** There are two key differences in the grade structure for students taking the course for graduate credit. These are: a) the required paper will be of a slightly longer length and the standards will be set a bit higher; and b) you must make a class presentation. More details can be found below.

2. MID-TERM EXAMINATIONS

There will be two examinations during the regular class meeting times. **Reserve these dates!** If you miss an in-class examination for any reason, then the point value of this exam will be added to your final exam. In other words, if you miss one mid-term, then your final exam will be worth 200 points instead of 120 points. If you miss both mid-term exams, the final will be worth 280 points. **No make-up exams will be provided for the in-class exams.**

3. FINAL EXAM

There will be a final comprehensive examination during the University final exam period. The final exam will be worth 120 points (or more if you missed one or both of the mid-term exams, as explained above). **Conflict final exams will only be established in accordance with the University regulations.**
4. PROBLEM SETS

You will receive 5 problem sets during the semester, of which the best 4 will count towards your final grade. These problem sets will usually be due one week after they are distributed. Problem sets are intended to give you practice at problem solving, and to provide incentives for preparing for cases, etc. While you may discuss the problems with other students, you are expected to complete the assignments on your own.

IMPORTANT NOTE: Problem sets are due EITHER a) in class at the beginning of class, OR b) in my faculty mail-box in 328 DKH by 8:20 AM on the due date. No late problem sets will be accepted for any reason. In recognition of the fact that you may (rarely) be late or miss a problem set for reasons outside of your control, I will only count the best four of the five problem set scores when calculating final grades.

5. PAPER (AND PRESENTATION)

Undergrads: You and one partner will be asked to write a very short (≈ 3 page) paper on a topic in employee benefits. While the paper is not long, it will be essential that you write the paper clearly and accurately. More details on this paper will be forthcoming.

Grad credit: You and one partner will be asked to write a short (≈ 7 page) paper on a topic in employee benefits. You and your partner will also be asked to prepare a short oral presentation to the class in the second half of the semester.

6. IN CLASS EXERCISES

Periodically and at random during the semester I will give short, in-class exercises that you will work on either individually or, in some cases, in a small group. Some of these exercises will be solely for practice and learning, but, at least 10 of these exercises will be graded on a 0 – 2 point scale. Before I hand out any in-class exercise, I will tell you whether or not it is for a grade. If you are absent from class that day, you will receive 0 points. If you show up that day and turn in something acceptable, you will receive 1 point. If you demonstrate a reasonable level of understanding of the material, you will receive 2 points. There are no make-ups for these in-class exercises. The point system is meant to serve as a (small) incentive for coming to class and keeping up with the material. Keep in mind that each exercise is worth only ½ percent of your final course grade, so a rare occasional absence is unlikely to have a material effect on your grade (so please do not beg for exceptions to this policy – I don’t make exceptions). Also remember, however, that frequent absenteeism may reduce your course grade by as much as 5%.
7. CLASS PARTICIPATION

Regular class attendance is necessary, but not sufficient, to receive a high participation grade. Active class participation by you via discussion, questions, and contributions of examples from current events is expected. A maximum of 30 points will be awarded based on your contribution to the class.

8. ACADEMIC INTEGRITY

*From the University statement on your obligation to maintain academic integrity:* "If you engage in an act of academic dishonesty, you become liable to severe disciplinary action. Such acts include cheating; falsification or invention of any information or citation in an academic endeavor; helping or attempting to help others commit academic infractions; plagiarism; offering bribes, favors, or threats; academic interference; computer-related infractions; and failure to comply with research regulations."

Rule 33 of the *Code of Policies and Regulations Applying to All Students* gives complete details of rules governing academic integrity for all students. You are responsible for knowing and abiding by these rules.

9. DISABILITIES

To ensure that disability-related concerns are properly addressed from the beginning, students with disabilities who require reasonable accommodations to participate in this class are asked to see me as soon as possible.

10. OFFICE HOURS

Office hours will be announced in class and posted on the course website. These office hours are for your benefit, so feel free to use them. No appointment is necessary during office hours. However, if you cannot come to these office hours, please make an appointment for another time. Appointments can be scheduled by talking to me after class or by sending me an email.