

FINANCE, INSURANCE AND LAW (FIL) 548

434 State Farm Hall of Business
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Website: Business.IllinoisState.edu

Chairperson: Gary Koppenhaver.

Tenured/Tenure-track Faculty:

Professors: Chang, Howe, Joaquin, Kang, Koppenhaver, Ma, Norton, Trefzger, C. Varner.

Associate Professors: Ahlgrim, Bouriaux, Kotomin, Pope, Ren, Varma, K. Varner.

Assistant Professors: Liao, Marciukaityte, Sherrill, Tamm.

General Department Information

The Finance Major provides a knowledge base and skills appropriate for a wide variety of functional and managerial activities, profit or nonprofit, which involve banking, corporate finance, insurance, investments, international finance, and real estate.

The Risk Management and Insurance Major provides skills and knowledge appropriate to a wide range of activities in the insurance and the financial services industries. The Insurance Major-Business Information Systems (BIS) Sequence is particularly appropriate for students preparing for careers in information systems within the insurance industry.

Academic Requirements:

All majors in the Department of Finance, Insurance and Law must meet the academic, admission, and transfer requirements of the College of Business. Non-majors must have the prerequisites, including the specified number of hours, to enroll in courses in the Department.

Departmental Honors Program Requirements:

- Maintain a 3.30 overall Illinois State University GPA or 3.60 GPA in last 60 hours at Illinois State University;
- Maintain a 3.50 major GPA;
- Complete 9 hours of approved FIL honors coursework;
- Complete either FIL 370, Educational Investment Fund, or FIL 299, Honors Independent Study;
- Fulfill the general requirements for participation in the University Honors Program.

Further details about the University Honors program are available at Honors.IllinoisState.edu.

Finance Programs

Degree Offered: B.S.

MAJOR IN FINANCE

General Finance Sequence:

- 68 required hours including:
- Required courses (56 hours): BUS 100; ACC 131, 132, 270; FIL 185, 240, 241, 242, 341, 349; MKT 230; MQM 100 (or ECO 138), 220, 227, 385. In addition,

ECO 105; ENG 145A13; and MAT 121 or 145 must be completed.

- Elective courses (12 hours) selected from: FIL 246, 250, 260, 318, 340, 342, 343, 344, 345, 346, 347, 353, 360, 361, 370, 380A04, 381, 398; ACC 231; ECO 239; or appropriate courses approved by the Departmental advisor.
- **NOTE:** Advising concentrations have been established to direct studies toward career specializations for Finance majors. Students are strongly urged to contact the departmental advisor for details.

MINOR IN FINANCIAL PLANNING

- 18 hours required in Finance, Insurance and Law and Accounting classes. For non-business majors the required hours, including prerequisites, totals 25 hours (21 hours of business, 4 hours of economics).
- Required courses: ACC 233; FIL 220 or 242; FIL 250, 342, 345, 371. See prerequisites below.
- All required courses must be completed with a grade of C or better.
- **NOTE:** No more than 9 hours from major program of study may be applied to minor.

Prerequisites for required courses:

ACC 233: A grade of C or better in ACC 131.

FIL 220: ACC 131; ECO 105 (or 101 and 102).

FIL 242: ACC 131, 132, ECO 105; FIL 240; MAT 120; MQM 100.

FIL 250: No prerequisites.

FIL 342: ACC 233; FIL 220 or 242; FIL 250.

FIL 345: FIL 220 or 242; FIL 250.

FIL 371 (or co-requisite): FIL 342 and 345.

MAJOR IN RISK MANAGEMENT AND INSURANCE

Risk Management and Insurance Sequence:

- 68 required hours including:
- Required courses (59 hours): BUS 100; ACC 131, 132, 270; FIL 185, 240, 250, 350, 352, 354, 355; MKT 230; MQM 100 (or ECO 138), 220, 227, 385. In addition, ECO 105; ENG 145A13; and MAT 121 or 145 must be completed.
- 9 hours of electives chosen from: FIL 242, 342, 345, 346, 351, 353, 380A04, 382, 398A10 or appropriate courses approved by the Departmental advisor.
- **NOTE:** FIL 398A10 is strongly recommended in addition to required courses.

Insurance-Business Information Systems (BIS) Sequence:

- 68 required hours, including:
- Required courses (68 hours) including: BUS 100; ACC 131, 132, 261, 270, 362, (266 and 366) or (260 and 368); FIL 185, 240, 250, 350, 352, 354; MKT 230; MQM 100 (or ECO 138), 220, 227, 385. In addition, ECO 105; ENG 145A13; and MAT 121 or 145 must be completed.

MINOR IN INSURANCE

- 18 hours required in Finance Insurance and Law courses.
- Required courses: FIL 185, 240, 250, and three of the following courses: FIL 342, 345, 350, 351, 352, 353, 354, 355, 380A04, 382, 398A10 (3 hours).
- NOTE: At least half (with a minimum of nine) of the credit hours for a minor must be distinct from any hours the student counts toward a major within the same department or school.

Finance, Insurance and Law Courses
**141 PERSONAL FINANCIAL LITERACY FOR
THE COLLEGE STUDENT QR**
3 sem. hrs.

Development of skills that promote financial responsibility by exploring the relationship between careers and money management. Not for Teacher Licensure. Also offered as BE 141.

**185 LEGAL, ETHICAL AND SOCIAL
ENVIRONMENT OF BUSINESS**
3 sem. hrs.

Emphasis on business ethics and corporate social responsibilities. Areas of concentration include contracts, torts, agency and business associations, government regulation of business, securities, labor, and employment law. Prerequisites: A minimum of 15 hours completed. ECO 105 or 103.

**198A01 PROFESSIONAL PRACTICE:
FINANCE/INSURANCE INTERNSHIP**
1-6 sem. hrs.

On-the-job experience in finance or insurance arranged through the Department coordinator and completed under the supervision of a finance or insurance professional. Prerequisite: Consent of the department chair.

220 PERSONAL INVESTING
3 sem. hrs.

Provides understanding of securities traded in financial markets, investment theory and practice, portfolio construction and management, and investment strategies. Not for credit if had FIL 242. Not for graduation credit for Finance, Insurance and Law and Business Administration majors. Prerequisites: ACC 131; ECO 105; or consent of the department chair.

240 BUSINESS FINANCE
3 sem. hrs.

Principles and problems of planning and managing assets of business. Formulation, acquisition and utilization of funds and capital structure examined. Prerequisites: MQM 100 (or ECO 138 or POL 138 or PSY 138); ACC 132; ECO 105.

241 FINANCIAL MARKETS
3 sem. hrs.

Participants, structure and functions of the major domestic and international financial markets. Prerequisites: Grade of C or better in FIL 240. Business major only.

242 INVESTMENTS
3 sem. hrs.

A survey of investment media, concepts, and techniques to provide an understanding of the investment process in the economic and financial environment. Prerequisites: Grade of C or better in FIL 240. Business major only.

**246 CORPORATE FINANCIAL
STATEMENT ANALYSIS**
3 sem. hrs.

Financial statement analysis and interpretation from the managers', investors', and creditors' perspectives. Proforma statements, heavy emphasis on spreadsheet use. Prerequisites: Grade of C or better in FIL 240. Business major only.

**250 INTRODUCTION TO RISK
AND INSURANCE**
3 sem. hrs.

Fundamental issues of risk management and insurance in property, liability, life and health areas. Principles of marketing, underwriting, rate making and loss adjusting.

260 REAL ESTATE PRINCIPLES
3 sem. hrs.

Principles of real estate, including legal aspects of real estate, appraisal, investment, mortgage financing, home-ownership, and brokerage industry functions. Prerequisites: A grade of C or better in FIL 240. Business major only.

**298 PROFESSIONAL PRACTICE: FINANCE
INTERNSHIP/COOPERATIVE EDUCATION**
1-6 sem. hrs.

Directed projects or experience related to the student's career interests in finance, arranged through the department coordinator and completed under the supervision of a business professional. Prerequisites: Consent of the department chair.

**298A10 PROFESSIONAL PRACTICE:
INSURANCE INTERNSHIP/
COOPERATIVE EDUCATION**
1-6 sem. hrs.

On-the-job experience in insurance arranged through the Department coordinator and completed under the supervision of an insurance professional. Prerequisites: Consent of the department chair.

312 INTERNATIONAL BUSINESS LAW
3 sem. hrs.

Case study international business law. Jurisdiction and application of foreign law, international regulation of economic activities, and issues of comparative law. Prerequisites: Grade of C or better in FIL 185. Business major only.

**318 MANAGEMENT OF FINANCIAL
INSTITUTIONS**
3 sem. hrs.

Financial institutions as business firms, with emphasis on depository institutions: industry structure, regulation, asset and liability management strategies. Prerequisites: FIL 240 and 218 or 241 with a grade of C or better. Business major only.

**340 SHORT-TERM FINANCIAL
MANAGEMENT**
3 sem. hrs.

Analysis of working capital management; cash budgeting; financial analysis and planning; short-term financing decisions. Prerequisites: FIL 240 with a grade of C or better; FIL 218 or 241 or concurrent registration. Business major only.

341 INTERMEDIATE BUSINESS FINANCE**3 sem. hrs.**

Theory and practice of capital management. Topics include evaluation of risks, determination of capital structures, measures of costs and returns, allocation of capital, financial planning and models, and a survey of working capital issues. Prerequisites: Grade of C or better in FIL 240; FIL 218 or 241 or concurrent registration. Business major only.

342 ESTATE PLANNING**3 sem. hrs.**

Describes process of developing an estate plan. Topics include federal estate/gift taxes, wills, probate, trusts from a financial planning perspective. Prerequisites: FIL 220 or 242, FIL 250, and ACC 233.

343 SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT**3 sem. hrs.**

Characteristics of financial assets and markets; evaluation of securities; selecting and combining securities into portfolios; portfolio models and measurement of portfolio performance. Prerequisites: Grade of C or better in FIL 242. Business major only.

344 INTERNATIONAL FINANCIAL MANAGEMENT**3 sem. hrs.**

Financial management of multinational corporations, including balance of payments, foreign exchange markets and international money and capital markets. Prerequisites: Grade of C or better in FIL 240. Business major only.

345 RETIREMENT PLANNING AND EMPLOYEE BENEFITS**3 sem. hrs.**

Topic includes retirement savings need analysis, qualified and non-qualified plan design, Social Security, group life, health, and disability insurance. Prerequisites: FIL 220 or 242; FIL 250.

346 FIXED INCOME ANALYSIS AND PORTFOLIO MANAGEMENT**3 sem. hrs.**

Analysis of fixed income securities, derivatives, and portfolio management strategies. Prerequisites: FIL 241 and 242.

347 FINANCIAL FUTURES, OPTIONS AND SWAPS**3 sem. hrs.**

Evaluate financial futures, options and swap instruments and market characteristics; analyze pricing models, hedging and trading strategies, portfolio insurance; trading techniques. Prerequisites: Grade of C or better in FIL 242 or consent of the department chair. Business major only.

349 ADVANCED FINANCIAL THEORY AND PROBLEMS**3 sem. hrs.**

An advanced coverage of financial theory and its applications to cases and problems; modeling and simulation. Not for graduate credit for MBA students. Prerequisites: Grade of C or better in FIL 341 and additional 6 hours in Finance. Finance major only.

350 PROPERTY INSURANCE**3 sem. hrs.**

Identify and measure property direct and indirect loss exposures and insurance coverages used to transfer such exposures. Prerequisite: Grade of C or better in FIL 250.

351 LIFE AND HEALTH INSURANCE**3 sem. hrs.**

Personal and business risks. Principles of life and health insurance and their applications. Prerequisite: Grade of C or better in FIL 250.

352 LIABILITY INSURANCE**3 sem. hrs.**

Identify and measure liability loss exposures and insurance coverages used to transfer such exposures, including concepts of negligence and liability. Prerequisite: Grade of C or better in FIL 250.

354 RISK MANAGEMENT**3 sem. hrs.**

Management's role in treating non-speculative risks to which business is exposed. Emphasis on recognition, evaluation, and treatment of risks. Prerequisites: Grade of C or better in FIL 350 and 352.

355 INSURANCE COMPANY OPERATIONS**3 sem. hrs.**

Insurance company operations include underwriting claims handling, ratemaking, reinsurance, investments, and loss control. The course focuses on these company functions. Prerequisite: FIL 250.

360 REAL ESTATE INVESTMENT AND FINANCE**3 sem. hrs.**

Decision-making analysis in real estate investment and financing. Emphasis on financial leverage, cash-flow analysis, taxation, risk, mortgages. Prerequisites: Grade of C or better in FIL 260. Business major only.

361 REAL ESTATE LAW**3 sem. hrs.**

A study of the law related to fixtures, the ownership and transfer of real property, and landlord/tenant relations. Prerequisites: FIL 185; FIL 260 or concurrent registration. Business major only.

370 EDUCATIONAL INVESTMENT FUND**4 sem. hrs.**

Management of an actual equity portfolio, including development and presentation of recommendations to a board of investment professionals. Prerequisites: FIL 242; FIL 241 or concurrent registration.

371 FINANCIAL PLAN DEVELOPMENT**3 sem. hrs.**

Uses the financial planning process to develop skills for working with individuals, families, and business owners in meeting financial objectives. Prerequisites: FIL 342 and 345, or concurrent registration.

375 LAW FOR ACCOUNTANTS**3 sem. hrs.**

Accountants' legal responsibilities, anti-trust, bankruptcy, federal securities regulation, insurance, regulation of employer and employee relationships, secured transactions, suretyship, and other topics for the professional accountant. Prerequisites: 24 hours of ACC; FIL 185 or 208 with a grade of C or better.

380 SEMINAR IN THE LEGAL ENVIRONMENT OF BUSINESS**3 sem. hrs.**

Selected topics in law and its relationship to business. Topics may include new developments in public and private law as it relates to business persons. Multiple enrollments are allowed with consent of the department chair. Prerequisite: Consent of the department chair.

380A04 ETHICS LEADERSHIP AND CORPORATE RESPONSIBILITY**3 sem. hrs.**

This course provides students with an in-depth study of individual and corporate ethics. Prerequisite: FIL 185.

381 SEMINAR IN FINANCE**1-4 sem. hrs.**

Selected topics in finance. Topics may include new developments in the field as they relate to business people and industry. Multiple enrollments are allowed with consent of the department chair. Prerequisite: Consent of the department chair.

381A02 PROFESSIONAL PROBLEMS IN FINANCE**1-4 sem. hrs.**

Intensive study of contemporary problems in finance with a strong orientation toward preparation for the FA examination. Prerequisite: Consent of the department chair.

382 SEMINAR IN INSURANCE**1-4 sem. hrs.**

Selected topics in Insurance. Topics may include new developments in the field as they relate to business, industry, and consumer. Multiple enrollments are allowed with consent of the department chair. Prerequisite: Consent of the department chair.

382A03 SEMINAR IN INSURANCE LAW**3 sem. hrs.**

This introductory course in law is designed to introduce students to the basic legal principles and issues of insurance. Prerequisites: FIL 185; consent of the department chair.

382A05 ANALYSIS OF INSURANCE COMPANIES**3 sem. hrs.**

Students will analyze annual statement data of insurance companies to help assess financial performance. Prerequisites: FIL 240, 250.

398 PROFESSIONAL PRACTICE: FINANCE INTERNSHIP**1-12 sem. hrs.**

Directed projects or administrative experience related to the student's career interests, arranged through the department coordinator and completed under the supervision of a business professional. Usually no more than 3 hours credit awarded for 1-semester work assignment. Prerequisite: A 3.00 overall GPA or consent of the department chair.

398A10 PROFESSIONAL PRACTICE: INSURANCE INTERNSHIP**1-12 sem. hrs.**

On-the-job experience in insurance arranged through the department coordinator and completed under the supervision of an insurance professional. Prerequisites: FIL 250; 3.00 overall GPA or consent of the department chair.