

HRM 37:533:322:01
Employee Benefits
Fall 2014 - Tuesday and Thursday
1:40 to 3:00 pm
Rutgers Cinema 3

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Texts: There is no purchased text for this class. Assigned readings are on the class schedule. Other readings will be assigned from time to time. Students will be accountable for such materials both in terms of questions during class and the examinations.

Fundamentals of Employee Benefit Programs, 6th ed. (2009) Washington, DC: Employee Benefit Research Institute. (Assigned chapters on web at <http://www.ebri.org/publications/books/index.cfm?fa=fundamentals>)

EBRI Databook on Employee Benefits (various dates) Washington, DC: Employee Benefit Research Institute. (Assigned, in class, chapters on web at <http://www.ebri.org/publications/books/index.cfm?fa=databook>)

Course Description:

Employee benefits are complex, expensive, very personal and many times misunderstood. The first goal of this class is to have you understand how benefits actually work. If, for example, an organization decides to provide retirement income to its employees, what are its choices? What are the positives and negatives of each choice for the organization and for the employees? Understanding benefits strategy, legal requirements covering benefits, and workforce demographics provides a context for the organization's employee benefits decisions.

We will also examine many public policy issues such as the role of the employer, government and employees themselves in providing pensions, healthcare and other employee benefits. As you may be aware, much of the national policy discourse over the last several years has focused on benefits issues and this course will provide the background so you may judge, for yourself, which proposals are reasonable and likely to be enacted.

Additionally, an understanding of the ways organizations integrate mandated programs (e.g., Social Security, Medicare, and State Disability) with their own benefit programs is important. Similarly, an understanding of options in administration of programs is necessary, as is the nature of employee communication programs useful in enabling employees to help make sure their benefits choices and benefits-related behaviors (e.g., medical plan choices, savings elections) meet their needs. Recent trends in benefits management, including cost controls, cost shifting, and other strategies as well as the outsourcing of benefits administration will be covered.

The course relies on a base of employment law, tax law, psychology, management, and economics.

Readings:

Articles from *Fundamentals of Employee Benefits*, produced by Employee Benefits Research Institute are online. Required readings are listed on the schedule at the end of the syllabus. Other reading materials will be assigned in class.

Attendance:

Attendance will not be taken. However, there will be exercises that take place in class and those not participating will lose points on their participation score. We will also ask questions of students (chosen randomly) and those not there to answer will lose points on their participation score. Selection will be randomized so if a student is not in attendance, that individual may be called on more than once in any class period.

Examinations:

There will be three non-cumulative examinations as noted on the course schedule. Each exam will cover approximately one-third of the course material. Each examination will be worth 20% of the course grade.

An examination grade of "0" will be assigned to any student who is absent without a legitimate excuse on the date of a regularly scheduled test. Legitimate excuses include illness (verified by a note from a doctor), inclement weather only when the Rutgers Information Service (848-932-INFO) indicates that Rutgers is closed, religious holidays, or when the instructor emails the class announcing class is suspended) or other dire family or personal circumstances.

Students with learning disabilities should present a statement to that effect with appropriate documentation as early in the semester as possible, but certainly prior to the first examination.

A makeup exam will be held at a time convenient to the instructor when all students needing to take the makeup can be present. An examination cancelled by the instructor will be held at the next regularly scheduled class period.

Exercises:

Six (6) exercises are to be done out of class (homework) and turned in via the DropBox on Sakai (the dates are indicated on the class schedule). The exercises will be posted on Sakai. Each exercise is worth 5 points. Exercises not turned in on the due date without a valid excuse (note Examinations section above) will receive no points.

Participation:

Everyone starts the class with 10 points for participation. Points will be lost for not being present when called on in class and for unacceptable classroom conduct (as described below).

Grading:

Grades will consist of the following components:

Examination 1	20%
Examination 2	20%
Examination 3	20%
Exercise 1	5%
Exercise 2	5%
Exercise 3	5%
Exercise 4	5%
Exercise 5	5%
Exercise 6	5%
Participation	10%

Each examination will earn a grade of 0 to 100. Grades on the three examinations will be adjusted to account for 20% of the course score when calculating the final score for the course.

Lecture Notes:

The PowerPoint slides for the lectures as well as other materials will be posted on the course's Sakai website.

Academic Honesty:

The rights of students will be protected to insure that test scores are related to competence in the subject matter. Therefore, all examinations will be carefully proctored. If cheating is detected, it will be prosecuted under University policies.

Classroom Conduct:

It is assumed that students will conduct themselves in a professional and social responsible manner while in class. To ensure a good learning experience for all students, the following are not permitted in class:

- (a) Cell phones, pagers, and text messaging devices. These should be turned off and put away.
- (b) Laptop computers, tablets and smart phones (except when used for taking notes) and surfing the web
- (c) Sleeping or napping
- (d) Chit-chatting with your neighbors
- (e) Reading the newspaper (includes working puzzles contained therein)
- (f) Studying or doing homework for other courses
- (g) Arriving at class late on a consistent basis
- (h) Leaving class early on a consistent basis

When these behaviors are detected, it is hard to argue you are participating in the class. Points will be deducted from your Participation Score.

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Anticipated Schedule**

Date	Topic	Readings F = Fundamentals of Employee Benefits
9/2	Introduction, Benefits as part of rewards systems Benefit strategies	
9/4	The environment for benefits programs National and employee demographics	F – Ch. 1,
9/9	Cost considerations Social and legislative considerations	Exercise 1 due
9/11	Retirement and Capital Accumulation Individual Savings/IRA's Social Security	F – Ch. 2, 5, 6, 16,19
9/16	Defined Benefit Pensions	F – 12, 14, 18
9/18	Defined Contribution Pensions Money Purchase Deferred Profit Sharing	F - Ch. 6, 7, 11, 17
9/23	Thriffs 401(k)/403(b)	F - Ch. 8, 13, 15
9/25	ESOPS Cash Balance Pensions	F - Ch. 9, 10 Exercise 2 due
9/30	Comparison DB vs. DC Accounting, Funding and Taxation	F – Ch. 6, 19
10/2	EXAMINATION I	
10/7	Workers Compensation Disability Insurance	F – Ch. 3, 30, 33, 35,
10/9	Life insurance Unemployment Insurance	F - Ch. 32, 34
10/14	Healthcare, Health Act, Hospitalization, Physician, Drug charges	F – Ch. 4, 20, 24, 25, 27, 28,
10/16	Coverage Funding Cost Management	F – Ch. 29 Exercise 3 due
10/21	Indemnity, Managed Care, HMOs, PPOs, Dental, Drug, Vision, Hearing and Long Term Care	F – Ch. 21, 22, 23, 26 Fundamentals 21, 22, 23, 24, 25
10/23	Retiree Health, Health Care Debate	F – Ch. 26
10/28	EXAMINATION II	Exercise 4 due
10/30	No Class	
11/4	Paid Time Off	F – Ch. 30,31

Date	Topic	Readings F = Fundamentals of Employee Benefits
11/6	Paid time off	
11/11	Work Life Benefits: Dependent Care, Family Leave EAP's, Legal Services, Financial Planning, Education Assistance	F – Ch. 36, 37, 38, 39, 40
11/13	Flextime, Housing, Business Travel, Miscellaneous	
11/18	Flexible Benefits Plan Design	
11/20	Outsourcing Vendor Management	
11/25	Employee Communication	Exercises 5/6 due
12/2	Integrating Compensation and Benefits	
12/4	Overview, Review	
12/10	EXAMINATION III	