

# Estate Planning and Risk Management

## Summary

Students will understand the purpose of estate planning and risk management including the role of insurance and establishing a financial plan for retirement.

## Main Core Tie

Adult Roles and Financial Literacy

## Strand 7

## Materials

- [Compounding Interest Transparency](#)
- [Estate Planning Lecture Notes](#)
- [Estate Planning Student Worksheet and Key](#)
- [Insurance Lecture Notes](#)
- [Insurance Transparencies](#)
- [Insurance Writing Prompt](#)
- [Risk and Responsibility Web Resources](#)
- [Tools for Estate Planning Transparencies](#)
- [Types of Insurance Lecture Notes](#)
- [Vocabulary Worksheet and Key](#)

## Instructional Procedures

### Vocabulary

Use the [vocabulary worksheet and key](#) (pdf).

### Primary Vocabulary

Estate planning  
Will  
Power of Attorney  
Trust  
Health Insurance  
Disability Income Insurance  
Life Insurance  
Whole Life Insurance Policy  
Term Life Insurance Policy  
Property Insurance

### Introduction

Discuss the following questions:

- How do estate planning and risk management relate?
- Why do you need insurance?
- What are the different types of insurance?
- Why do you want to start early in planning for retirement?

### Content Outline, Activities and Teaching Strategies

(All options do not necessarily need to be taught. Select ones to cover standards and objectives and according to your district policies.)

#### Option 1: Estate Planning

Use the [Estate Planning Lecture Notes](#) (pdf), [Estate Planning Transparencies](#) (pdf), and [Estate](#)

[Planning Student Worksheet](#) (pdf) to have a class discussion and lecture.

Option 2: NOLO Website

Step #1: Go to: <http://www.nolo.com/legal-encyclopedia/wills-trusts-estates/>

Step #2: Become familiar with the site as it has great resources for wills, trusts, and estate planning.

Step #3: Go to: <http://www.nolo.com/legal-encyclopedia/>

Step #4: Follow the links to estate planning. Select an article that interests you or that interests a student. Assign the students to write a paragraph summarizing the key points on that topic.

Option 3: Insurance

Use the [Types of Insurance Lecture Notes](#) (pdf), [Transparencies](#) (pdf) and the [Insurance Lecture Notes](#) (pdf) to have a class discussion and lecture.

Option 4: Insurance Activity

Make a list of types of insurance and terms to remember for that insurance type OR have the students write a one paragraph scenario of a situation in which insurance is needed. Share with the class and have the class guess what type of insurance is needed.

Option 5: Insurance: FEFE Lesson Plan

Students examine the basic features of five types of insurance: automobile, health, life, disability, and homeowner's/renter's. Learning is reinforced when playing an activity to identify which insurance is necessary to cover different types of risks.

Step #1: Go to: <http://www.fefe.arizona.edu/download-lessons>

Step #2: Click on Educational Resources, then click on Curriculum, then click on 17.0 Values and Goals Setting.

Step #3: Click on 1.17.3 Setting Financial Goal and download the lesson plan and resources.

Option 6: Life Cycles of Financial Planning FEFE Lesson Plan

Students brainstorm activities and events which occur during the life cycle age groups affecting financial planning. Students develop a financial plan and goals for a teenager scenario and then apply life cycle financial planning to their own lives.

Step #1: Go to: <http://www.fefe.arizona.edu/download-lessons> (You will need to register and log in to this website prior to use)

Step #2: Click on: Educational Resources then click on Curriculum then click on 11.0 Introduction to Personal Finance.

Step #3: Click on 1.11.2 Life Cycle of Financial Planning and download/print the lesson plan and resources.

Option 7: Insurance NEFE Lesson Plan

You can order free Instructor Manuals and Student Guides by going to the following website:

<http://hsfpp.nefe.org/home/>

Use Unit 6 Insurance in the NEFE Instructor Manual and the corresponding Student Guide.

Option 8: Insurance Writing Prompt

Have students respond in writing to the statement on the [Writing Prompt Transparency](#) (pdf). They will write a paragraph on whether or not you they need life insurance five years after you graduate. Prepare your opinions for a small group or class discussion on the topic.

Option 9: The Value of Money FEFE Lesson Plan

Use the FEFE Time Value of Money Lesson Plan instructions to access the lesson plan. Students determine how to "make their money work for them" by understanding the time value of money. They begin by comparing with classmates what they would do with \$100.00. Next, they learn the difference between simple and compounding interest and discuss the three factors affecting the time value of money: time, interest rate, and amount invested. Finally, they learn the two equations (present value and future value) used to solve for the time value of money by using financial calculators.

Step #1: Go to: <http://www.fefe.arizona.edu/download-lessons> (You will need to register and log in to this website prior to use)

Step #2f: Click on: Curriculum then click on 14.0 Savings.

Step #3: Click on 1.14.5 Time Value of Money and download/print the lesson plan and resources.

Summary/Evaluation:

Life is full of risks and accidents. People are at risk for getting injured when playing sports, riding in a car, or living in a house. Risk is uncertainty about a situation's outcome. Risk can be unpredictable events which lead to loss or damage. Insurance is an arrangement between an individual (consumer) and an insurer (insurance company) to protect the individual against risk. Insurance plays a large role in most individual's financial management plans. It helps the individual to be prepared for the unexpected.

Authors

[CTE LESSON PLANS](#)