

Protecting Yourself and Your Teenager

Notes:

Learner Outcomes

Outcome #1: Participants will be able to list two examples of risks that people face.

Outcome #2: Participants will be able to name at least two types of insurance.

Outcome #3: Participants will be able to describe the main parts of a simple will.

Target Audience

Parents

Materials

1. Flip chart and markers or a dry-erase board and dry-erase markers
2. Name tags (downloaded for free from the Bank It Web site), one for each participant
3. A pen or pencil for each participant
4. Something to track time
5. Two copies of the Script #1-PR-PT (downloaded for free from the Bank It Web site)
6. Evaluation #1-PR-PT for each participant
7. Bank It Notes #1-PR-PT for each participant
8. Optional: PowerPoint Presentation PDF #1-PR-PT
9. Optional: Handout #1-PR-PT for each participant

Timing

1 hour

Want more background and training tips?

See the free, downloadable Bank It Leader's Guide at www.bankit.com.

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Notes:

1. Welcome and Overview (5 minutes)

Arrive early. Highly consider using the optional PowerPoint Presentation PDF and the optional Handout. Both will greatly enhance your sessions. If you're using the PowerPoint Presentation PDF, show the "Welcome to Bank It" slide as participants enter the room. Greet each participant individually and learn their names as they arrive. Have them create a name tag with their first name only.

Give participants a copy of the Bank It Notes #1-PR-PT and either a pen or pencil. Have them sit in clusters of about four people. If possible, have them sit at tables. Then welcome the whole group to the session.

Say: Welcome to Bank It. Bank It delivers real-world financial topics and tools for parents and teens that make it easier to understand, talk about, and manage your money. Bank It was developed by Capital One and Search Institute. I'm glad each one of you is here.

Today we will focus on protecting yourself and your teenager, and we plan on meeting three goals. One: By the end of this session, you will be able to list two examples of risks that people face. Two: You will be able to name at least two types of insurance. Three: You will be able to describe the main parts of a simple will.

Feel free to use your Bank It Notes to write what you learn as we go along. At the end of the session, we will take time to complete a short evaluation. (If this session is not the first session you're presenting to this group, consider briefly discussing the optional challenge that you may have given participants at the end of your previous session.)

2. Activity: Role-Play a Script (15 minutes)

Ask for two volunteers who are comfortable reading aloud. Give each a copy of the Protect Script. Have the volunteers read the script aloud to the group. When you finish, have the group applaud the volunteers.

Then ask questions such as these: *What is your reaction to this script?* (Give participants time to respond. Work to create a discussion based on their reactions.) *Why is it tempting not to protect yourself?* (Answers: Insurance costs money. I don't know who to go to. Insurance is so complicated that I don't understand it.)

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Say: *When we don't protect ourselves, we are making a choice. We're saying that if something bad happens, we'll take care of it. Before we get too far into protecting ourselves, let's start with risks. What are some of the common risks people face? I'm talking about the kind of risks that insurance protects you from.*

Write participants' answers on a flip chart. Make sure some of these risks are named: accidents, theft, sickness, disability, death, unemployment, severe weather, and fire.

Ask: *What are the names of different types of insurance that you know of?* Write participants' answers on a flip chart. Make sure these major types are included: auto, homeowner's, health, disability, life, property, and renter's insurance.

Say: *There are a lot of different types of insurance. It can get overwhelming to know which insurance is most important and where to start. Also, once you start looking for insurance in one area, such as auto or health insurance, you can discover there are lots of choices of which companies to go with and what type of policy to get.*

How do you know what is a good insurance company? (Give participants time to respond. Some may get advice from other people, which can be one helpful way of finding insurance.)

Say: *There is an insurance rating system called A.M. Best Rating. This company rates insurance companies based on a number of criteria. When you're getting an insurance quotation, it's helpful to ask for the A.M. Best Rating of the company.*

You can also get information online at www.ambest.com or your local library, where a reference librarian can help you research companies.

If you do the research yourself, you'll need to know the name of the insurance companies that you're considering. The rating is by individual company. You won't be able to see a breakdown by rating category.

The other part about insurance that is important for you to understand is a deductible. This is the amount that you have to pay before an insurance company will pay a claim. This is important because the higher the deductible, the lower your insurance premiums.

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An insurance premium is the amount you need to pay each year to keep the insurance. The trick, however, is that you don't want the deductible to be so high that you won't be able to pay it if you need to submit a claim. You also don't want the deductible to be too low so that your premiums are too high.

A deductible could be \$100, \$250, \$500, \$1,000 or another amount. It depends on the type of insurance you're getting.

If you plan to distribute the optional handout, use it at this time.

3. Present: Protecting Yourself with a Will (15 minutes)

Ask: What is a will? Encourage participants to tell you what they know. Say: A will is a legal document that expresses how a person wants his or her property handled after his or her death. A will is very important if you are a parent or a legal guardian. Why? (See what participants have to say.)

Say: A will is a legal document that names who will care for your children after you die. Ask: Why do some people not have a will? (See what participants say.)

Say: Thinking about our own death is uncomfortable. Some people are superstitious. They think creating a will gives the okay for them to die. This is not true. A will is a positive money choice. It is a positive money plan. Ask: If you don't create a will and you die, what happens? (Answer: Your state of residence decides.)

Ask: Who do you really want to decide what happens after you die? (Answer: You do.) This is a key point for all your money issues. You want to be the one who decides. Not someone else.

On a flip chart, write the main parts of a simple will:

- The name and address of the person who is creating the will
- Names and addresses of people who will inherit items from you (called beneficiaries)
- Name and address of the person who will carry out your will (called an executor)
- Name and address of people who will care for minor children (called guardians)
- List of valuable items you own

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Say: It may be easy to think: I don't want to deal with this. I would rather watch TV. Or: I would rather go shopping. Or: I would rather eat something. But remember: A will is about protecting yourself and your family. Even if it's not fun. Even if it's hard. It's an important thing to consider and have.

4. Discuss (10 minutes)

Say: Take some time to talk to the people near you. Talk to about two or three people. Take turns. I want you to do two things: 1. Say your first name. 2. Say what you think of a will. Remember that something you inherit is an item you receive after a person who has died. Usually it's something valuable, like a piece of jewelry or a piece of furniture.

Start with the person who has the most children. Then have each person take a turn.

5. Review and Evaluate (10 minutes)

Review what was accomplished during this session. Ask: *What are examples of risks that people face?* (Answers: Accidents. Theft. Sickness. Disability. Death. Unemployment. Severe weather. Fire.)

Ask: *What are the names of major types of insurance?* (Answers: Auto insurance. Homeowner's insurance. Health insurance. Disability insurance. Life insurance. Property insurance. Renter's insurance.)

Ask: *What is an insurance deductible?* (Answers: The amount that you have to pay before the insurance company will pay a claim you've submitted.)

Ask: *What are examples of items that you can inherit?* (Answers: Jewelry. Furniture. Dishes. A car. A home.)

Ask: *What are the main parts of a simple will?* (Answers: The name and address of the person who is creating the will. Names and addresses of people who will inherit items from you (called beneficiaries). Name and address of the person who will carry out your will (called an executor). Name and address of people who will care for minor children, (called guardians). List of valuables you own.

Ask: *If a person dies and does not leave a will, what happens?* (Answer: The state decides through probate.)

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At the end of the review, distribute Evaluation #1-PR-PT to each participant. Give participants time to fill out the evaluation. Collect all the evaluations after participants finish so you can find out the measurable outcomes for the session.

6. Close (5 minutes)

Say: *Turn to a person near you. Say who means the most to you and why. Maybe it's a child. A partner. Or someone else. Take a few moments to take turns talking about this.*

After participants finish, say: *There are people in our lives who we deeply care about. It's important not only to care for them but also to protect them. I leave you with one question: How do you plan to protect the people you care about? Thanks for all of your hard work today.*

Challenge participants to talk to family members about this topic, which is listed under the Talk about It section of their Bank It Notes. Thank everyone for coming.

Optional Activities

1. Distribute Handout #1-PR-PT: My Insurance. Encourage participants to complete the handout. Debrief the handout with participants after they finish.

2. Show the PowerPoint Presentation PDF #1-PR-PT. Use the presentation to accompany the one-hour session.

3. Give Participants a Challenge. Encourage participants to use the next week to talk with their family about how to protect themselves and their belongings.

Questions? Looking for more ideas? Visit www.bankit.com for answers and more resources.

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Notes:

For More Information

- *National Standards in K–12 Personal Finance Education* (Washington, D.C., Jump\$tart Coalition for Personal Financial Literacy, 2007), standard 1 in the area of Risk Management and Insurance.
- *National Standards in K–12 Personal Finance Education* (Washington, D.C., Jump\$tart Coalition for Personal Financial Literacy, 2007), standard 7 in the area of Planning and Money Management.
- *An Asset Builder's Guide to Youth and Money* by Jolene Roehlkepartain (Minneapolis: Search Institute, 1999).