

# UNIT 5: RISK MANAGEMENT

Content Area: **Business**  
Course(s): **Financial Literacy, Business Essentials**  
Time Period: **3 weeks**  
Length: **3 weeks**  
Status: **Published**

## Unit Overview

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This unit is designed to examine the factors involved in the forecasting and evaluation of financial risks together with the identification of procedures to avoid or minimize their impact

## Transfer

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Students will be able to independently assess their risk factors/personal needs for insurance and interpret appropriate policies for coverages

## Meaning

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## Understandings

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Students will understand...

- different types of vehicle insurance coverage
- laws on vehicle insurance
- factors that affect the cost of vehicle insurance
- kinds of property you can insure
- different types of property insurance
- factors that affect the cost of property insurance premiums
- the difference between cash-value and term life insurance
- factors that affect the cost of health insurance
- types of health insurance plans

## **Essential Questions**

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Students will keep considering...

- How does insurance reduce the risk of financial loss?
- What are the types of vehicle insurance coverage?
  - What do they cover?
- What does renter's insurance cover?
- Why does a mortgage company insist on coverage for a home?
- Why do you need special coverage for flood, earthquake, landslides, etc?
- What is covered under a traditional homeowner's policy?
- What are the differences regarding coverages and costs related to homeowner's policies?
- What does life insurance protect?
- What is the difference between whole life and term insurance?
- When do I need life insurance?
- What does medical insurance usually cover?
- How can I acquire health insurance?
- What are the differences between medical insurance plans?

## **Application of Knowledge and Skill**

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**Students will know...**

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Students will know...

- differences between types of vehicle insurance coverage
- various laws on vehicle insurance
- specific factors that affect the cost of vehicle insurance
- different kinds of property you can insure
- types of property insurance available to homeowners
- various factors that affect the cost of property insurance premiums
- how to distinguish between cash-value and term life insurance
- difference factors that affect the cost of health insurance
- differences between types of health insurance plans and their respective coverages

### **Students will be skilled at...**

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Students will be able to...

- identify their personal needs for insurance (car, home, health, life) and reflect on how those needs will change over time
- compare and contrast various insurance policies (car, home, health, and life) to find appropriate coverage.
- compare and contrast various insurance policy premiums (car, home, health, and life)
- explain how insurance policies can be purchased

### **Academic Vocabulary**

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insurance

policy

liability insurance

actual cash value

depreciation

financial responsibility law

compulsory insurance law

no-fault insurance

claim

premium

deductible

personal property

real property

renter's insurance

standard fire policy

extended coverage

homeowner's policy

eleven perils

rider

replacement value

proceeds

beneficiary

cash-value insurance

term insurance

coinsurance

health maintenance organization

Medicare

Medicaid

copayment

pre-existing condition

## Learning Goal 1

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Students will be able to name the types of vehicle insurance coverage and explain the laws on vehicle insurance

- Students will be able to name the types of vehicle insurance coverage and explain the laws on vehicle insurance

CRP.K-12.CRP1	Act as a responsible and contributing citizen and employee.
CRP.K-12.CRP2	Apply appropriate academic and technical skills.
CRP.K-12.CRP4	Communicate clearly and effectively and with reason.
CRP.K-12.CRP5	Consider the environmental, social and economic impacts of decisions.
CRP.K-12.CRP6	Demonstrate creativity and innovation.
CRP.K-12.CRP7	Employ valid and reliable research strategies.
CRP.K-12.CRP8	Utilize critical thinking to make sense of problems and persevere in solving them.
CRP.K-12.CRP9	Model integrity, ethical leadership and effective management.
CRP.K-12.CRP11	Use technology to enhance productivity.
PFL.9.1.12.G.1	Analyze risks and benefits in various financial situations.
PFL.9.1.12.G.3	Compare the cost of various types of insurance (e.g., life, homeowners, motor vehicle) for the same product or service, given different liability limits and risk factors.
PFL.9.1.12.G.4	Evaluate individual and family needs for insurance protection using opportunity-cost analysis.
TECH.8.1.12.A	Technology Operations and Concepts: Students demonstrate a sound understanding of technology concepts, systems and operations.
TECH.8.1.12.B	Creativity and Innovation: Students demonstrate creative thinking, construct knowledge and develop innovative products and process using technology.
TECH.8.1.12.F	Critical thinking, problem solving, and decision making: Students use critical thinking skills to plan and conduct research, manage projects, solve problems, and make informed decisions using appropriate digital tools and resources.
TECH.8.2.12	Technology Education, Engineering, Design, and Computational Thinking - Programming: All students will develop an understanding of the nature and impact of technology, engineering, technological design, computational thinking and the designed world as they relate to the individual, global society, and the environment.
TECH.8.2.12.B	Technology and Society: Knowledge and understanding of human, cultural and society values are fundamental when designing technology systems and products in the global society.

## Target 1

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Students will be able to define the various types of vehicle coverage

- Students will be able to define the various types of vehicle coverage

## Target 2

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Student will be able to explain the laws on vehicle insurance

- Student will be able to explain the laws on vehicle insurance

## Target 3

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Students will be able to describe the factors that affect the costs of vehicle insurance

- Students will be able to describe the factors that affect the costs of vehicle insurance

## Learning Goal 2

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Students will be able to explain types of property insurance and types of coverages

- Students will be able to explain types of property insurance and types of coverages

CRP.K-12.CRP2	Apply appropriate academic and technical skills.
CRP.K-12.CRP4	Communicate clearly and effectively and with reason.
CRP.K-12.CRP6	Demonstrate creativity and innovation.
CRP.K-12.CRP7	Employ valid and reliable research strategies.
CRP.K-12.CRP8	Utilize critical thinking to make sense of problems and persevere in solving them.
CRP.K-12.CRP11	Use technology to enhance productivity.
PFL.9.1.12.B.1	Prioritize financial decisions by systematically considering alternatives and possible consequences.
PFL.9.1.12.G.1	Analyze risks and benefits in various financial situations.
PFL.9.1.12.G.2	Differentiate between property and liability insurance protection.
PFL.9.1.12.G.3	Compare the cost of various types of insurance (e.g., life, homeowners, motor vehicle) for the same product or service, given different liability limits and risk factors.
PFL.9.1.12.G.4	Evaluate individual and family needs for insurance protection using opportunity-cost analysis.
PFL.9.1.12.G.5	Differentiate the costs and benefits of renter's and homeowner's insurance.
TECH.8.1.12	Educational Technology: All students will use digital tools to access, manage, evaluate, and synthesize information in order to solve problems individually and collaborate and to create and communicate knowledge.
TECH.8.1.12.B	Creativity and Innovation: Students demonstrate creative thinking, construct knowledge and develop innovative products and process using technology.
TECH.8.1.12.C	Communication and Collaboration: Students use digital media and environments to communicate and work collaboratively, including at a distance, to support individual learning and contribute to the learning of others.
TECH.8.1.12.D	Digital Citizenship: Students understand human, cultural, and societal issues related to technology and practice legal and ethical behavior.
TECH.8.1.12.E	Research and Information Fluency: Students apply digital tools to gather, evaluate, and use information.
TECH.8.1.12.F	Critical thinking, problem solving, and decision making: Students use critical thinking skills

to plan and conduct research, manage projects, solve problems, and make informed decisions using appropriate digital tools and resources.

TECH.8.2.12

Technology Education, Engineering, Design, and Computational Thinking - Programming:  
All students will develop an understanding of the nature and impact of technology, engineering, technological design, computational thinking and the designed world as they relate to the individual, global society, and the environment.

## **Target 1**

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Students will be able to describe what kinds of property insurance you can have

- Students will be able to describe what kinds of property insurance you can have

## **Target 2**

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Student will be able to explain the different types of property coverage

- Student will be able to explain the different types of property coverage

## **Target 3**

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Students will identify the factors that affect the cost of property insurance premiums.

- Students will identify the factors that affect the cost of property insurance premiums.

## **Learning Goal 3**

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Students will be able to describe types of life and health insurance and reasons for needing both

- Students will be able to describe types of life and health insurance and reasons for needing both

CRP.K-12.CRP2	Apply appropriate academic and technical skills.
CRP.K-12.CRP4	Communicate clearly and effectively and with reason.
CRP.K-12.CRP5	Consider the environmental, social and economic impacts of decisions.
CRP.K-12.CRP6	Demonstrate creativity and innovation.
CRP.K-12.CRP7	Employ valid and reliable research strategies.
CRP.K-12.CRP8	Utilize critical thinking to make sense of problems and persevere in solving them.
CRP.K-12.CRP11	Use technology to enhance productivity.
PFL.9.1.12.B.10	Develop a plan that uses the services of various financial institutions to meet personal and family financial goals.
PFL.9.1.12.D.10	Differentiate among various investment products and savings vehicles and how to use them most effectively.
PFL.9.1.12.G.1	Analyze risks and benefits in various financial situations.
PFL.9.1.12.G.3	Compare the cost of various types of insurance (e.g., life, homeowners, motor vehicle) for

	the same product or service, given different liability limits and risk factors.
PFL.9.1.12.G.4	Evaluate individual and family needs for insurance protection using opportunity-cost analysis.
PFL.9.1.12.G.6	Explain how to self-insure and how to determine when self-insurance is appropriate.
PFL.9.1.12.G.7	Determine when and why it may be appropriate for the government to provide insurance coverage, rather than private industry.
TECH.8.1.12	Educational Technology: All students will use digital tools to access, manage, evaluate, and synthesize information in order to solve problems individually and collaborate and to create and communicate knowledge.
TECH.8.1.12.A	Technology Operations and Concepts: Students demonstrate a sound understanding of technology concepts, systems and operations.
TECH.8.1.12.B	Creativity and Innovation: Students demonstrate creative thinking, construct knowledge and develop innovative products and process using technology.
TECH.8.1.12.C	Communication and Collaboration: Students use digital media and environments to communicate and work collaboratively, including at a distance, to support individual learning and contribute to the learning of others.
TECH.8.1.12.E	Research and Information Fluency: Students apply digital tools to gather, evaluate, and use information.
TECH.8.1.12.F	Critical thinking, problem solving, and decision making: Students use critical thinking skills to plan and conduct research, manage projects, solve problems, and make informed decisions using appropriate digital tools and resources.

## Target 1

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Students will be able to describe the types of health insurance plans and coverage

- Students will be able to describe the types of health insurance plans and coverage

## Target 2

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Students will be able to describe the types of life insurance plans and coverage.

- Students will be able to describe the types of life insurance plans and coverage

## 21st Century Life and Careers

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9.3.12.FN.2	Utilize tools, strategies and systems to plan, monitor, manage and maintain the use of financial resources.
PFL.9.1.12.B.5	Analyze how changes in taxes, inflation, and personal circumstances can affect a personal budget.
PFL.9.1.12.B.10	Develop a plan that uses the services of various financial institutions to meet personal and family financial goals.
PFL.9.1.12.G.1	Analyze risks and benefits in various financial situations.
PFL.9.1.12.G.2	Differentiate between property and liability insurance protection.
PFL.9.1.12.G.3	Compare the cost of various types of insurance (e.g., life, homeowners, motor vehicle) for



PFL.9.1.12.G.4	the same product or service, given different liability limits and risk factors. Evaluate individual and family needs for insurance protection using opportunity-cost analysis.
PFL.9.1.12.G.5	Differentiate the costs and benefits of renter's and homeowner's insurance.
PFL.9.1.12.G.6	Explain how to self-insure and how to determine when self-insurance is appropriate.
TECH.8.1.12.C	Communication and Collaboration: Students use digital media and environments to communicate and work collaboratively, including at a distance, to support individual learning and contribute to the learning of others.

## **Summative Assessment**

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Unit Assessment will be a cumulative written assessment as a Benchmark or Test/Quiz Grade (as appropriate)

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## **Formative Assessment and Performance Opportunities**

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Worksheets

PowerPoint Discussions

Homework and Classwork Activities

Group Activities

In Class Discussions

Do Nows and Closures

Class Polling

Observation

Peer Observation and Critique

Educational Games

Test/Quizzes

Oral Presentation

## **Accommodations/Modifications**

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Differentiation:

## Additional resources

NextGen Personal Finance: <https://www.ngpf.org/>

## Accommodations/Modifications:

All instruction, labs, activities, and assessments will be modified and enhanced to individual students IEPs and 504s. Additionally, differentiated classroom management strategies will be utilized as to adhere to these student's individual plans.

## Enrichment:

DECA international marketing enrichment activities are available. Role plays and tests are available in class and online at [www.deca.org](http://www.deca.org)

## **Unit Resources**

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Teacher generated PowerPoints, notes, projects, and worksheets

Textbooks - Glencoe Introduction to Business

Internet resources including, but not limited to: NGPF and Google Classroom

Computer based activities

Document projector

Overhead projector

## **Interdisciplinary Connections**

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LA.RST.11-12.3	Follow precisely a complex multistep procedure when carrying out experiments, taking measurements, or performing technical tasks; analyze the specific results based on explanations in the text.
LA.RST.11-12.4	Determine the meaning of symbols, key terms, and other domain-specific words and phrases as they are used in a specific scientific or technical context relevant to grades 11-12 texts and topics.
LA.RST.11-12.9	Synthesize information from a range of sources (e.g., texts, experiments, simulations) into

a coherent understanding of a process, phenomenon, or concept, resolving conflicting information when possible.

MA.K-12.1

Make sense of problems and persevere in solving them.

MA.K-12.5

Use appropriate tools strategically.