

BUSINESS MANAGEMENT

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BUSINESS MANAGEMENT

OVERVIEW

Citizens prepare for their visit to *JA BizTown* by working in business teams to learn about key factors in operating a business, such as teamwork, operation costs, pricing, and advertising.

CONCEPTS

Running a business: Businesses at *JA BizTown* are operated much like real businesses. The CEO of each business will lead his or her team in preparing for the *JA BizTown* visit.

Operating costs: Each business will need to calculate its costs, including salaries and inventory, and apply for a loan. Once the business has revenue, it will need to repay the loan before it can determine a profit.

Advertising: Effective advertising and strong business plans are crucial to creating successful businesses.

Quality business: Businesses that try to meet their customers' needs through continuous improvement will be more successful. A quality business should focus on good customer service, successful sales, innovative ideas, community involvement, and teamwork.

Personal finance: Citizens prepare to manage their own checking and savings accounts, manage transactions, make deposits, use debit cards, and spend money at *JA BizTown*.

CONTENT STANDARDS

Whenever applicable, the standards recommended by the Common Core State Standards Initiative will be referred to in the lesson title using the abbreviation CCSS, followed by the subject, the grade, and then the strand and skill numbers. For example, CCSS LA 5 RI 7 is **Common Core State Standard** for

Business Management

- Lesson 1:**
Business Costs
- Lesson 2:**
Setting Prices
- Lesson 3:**
Visit Preparation

Application and Extension Activities

- Lesson 1:**
Customer Service
Ranking Criteria
Quality Task
Committee
BizBriefs
- Lesson 2:**
Needs and Wants
Business Costs and Profit
History Connection
Identity Theft
- Lesson 3:**
Slogans and Logos
Jingles
Letters to the Editor
Friendly Letters

Language Arts, Grade 5, Reading for Informational Text, skill 7. The abbreviation NCSS refers to the curriculum standards created by the National Council for the Social Studies. The expanded standards can be found in the Teacher References section. State specific standards for English Language Arts, Mathematics, and Social Studies can be found at <https://www.juniorachievement.org/web/ja-usa/correlations>.

PREPARATION

To prepare for this unit on business management, review the BizPrep Tab in this guide and the BizPrep paperwork provided by your local JA Area staff. Preview the jobs and businesses available at your *JA BizTown* site and be prepared to assign jobs to your citizens. They will receive their job assignments in Lesson 1.

Read through each lesson before you teach it so you can choose the activity and instruction pieces you will present to your class. Activities and Application Activities are designed to be somewhat interchangeable so you can choose which ones best suit the needs of your class. Extension activities provide additional learning opportunities on a related topic or concept. Plan for each class session to be about 50 minutes.

Your local JA Area staff may determine that the letters in Lesson 3 (Page 64, Extension Activity 1, **Letters to the Editor**, and Page 66, Extension Activity 2, **Friendly Letters**) are required components of simulation preparation. Because it is important to finish preparation paperwork, you may want to include these in your writing workshops or language arts periods before you present Lesson 3.

ASSESSMENT

An assessment is provided that covers the core concepts presented in Business Management. The assessment is on Pages 69 and 70 in the Teacher References. An answer key immediately follows.

BUSINESS MANAGEMENT

Lesson 1: Business Costs

LESSON CONCEPTS

In this lesson, citizens are assigned to their businesses and begin to operate as teams led by their CEOs. After reviewing the importance of teamwork, teams examine business costs and begin their preparatory work in BizPrep.

INQUIRY: What costs are involved in running a business?

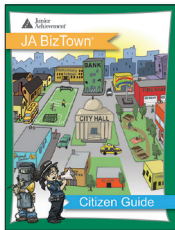
LEARNING OBJECTIVES

Citizens will:

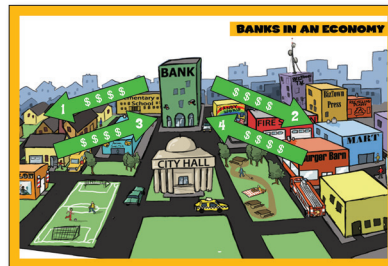
- Describe costs associated with operating a business.
- Calculate business expenses.
- Work in teams to write a paragraph that describes a business.

MATERIALS

- ❑ Citizen Guides



- ❑ Banks in an Economy Poster (kit)



- ❑ Illustration BizM-1A, **Sample Business Costs**

SAMPLE BUSINESS COSTS			
BUSINESS	Amount	Salary	Total
Bank	\$100	\$ 20	\$ 120
City Hall	\$100	\$ 20	\$ 120
Police	\$100	\$ 20	\$ 120
Fire	\$100	\$ 20	\$ 120
Post Office	\$100	\$ 20	\$ 120
Garage	\$100	\$ 20	\$ 120
Gas Station	\$100	\$ 20	\$ 120
Bus	\$100	\$ 20	\$ 120
City Hall	\$100	\$ 20	\$ 120
Police	\$100	\$ 20	\$ 120
Fire	\$100	\$ 20	\$ 120
Post Office	\$100	\$ 20	\$ 120
Garage	\$100	\$ 20	\$ 120
Gas Station	\$100	\$ 20	\$ 120
Bus	\$100	\$ 20	\$ 120
Total of All Businesses	\$1000	\$200	\$1200

- ❑ BizPrep paperwork provided by JA Area Office, one per business team

- ❑ Lined paper

PREPARATION

Determine citizen jobs and business teams before this lesson begins; you will be assigning them to the citizens in this lesson. You can use the **Employment Letter** in the Jobs Tab of the Teacher Guide to inform citizens of their job assignments.

SETTING THE STAGE | 5 minutes

- Express your appreciation for the excellent work the citizens did with their job applications (and interviews) and congratulate them on becoming employees in *JA BizTown*.
- Distribute job assignments and answer any questions.
- Ask citizens to raise their hands and name their favorite stores. Ask why they like them and what makes them nice places to shop.

AV OPTION

If you have not yet shown the video about the *JA BizTown* experience, consider showing it to set the stage for this lesson. It is available online on JA Connect, the JA Learning Platform. Contact your local JA Area for access.

ACTIVITY | 15 minutes

Business Descriptions

CCSS LA 4/5 W 1.c

1. Citizens will now be part of business teams. Each team will use teamwork to run a **quality business**. Define the term. Have citizens break into their newly assigned business teams. Tell them to take their **Citizen Guides** with them.
2. Reiterate that a quality business tries to meet its customers' needs through a process of continuous improvement. A quality business should focus on good customer service, successful sales, innovative ideas, community involvement, and teamwork.

FIND OUT MORE about good customer service. Check out Page 12, Application Activity 1, **Customer Service**.

3. Remind your class that teamwork is the cooperative effort of members of a group to achieve a goal. It takes all employees working together to get the tasks done at *JA BizTown* and to make a business successful.
4. Using lined paper, have each business team write a "Top Ten" List about its business and the methods it will use to ensure it is a quality business.
5. Each team member will write a sentence and share it with the group. The group will then decide the value order of the sentences with "1" being the favorite. For example, #10: "Our restaurant is clean and well-lit; #9: diners have a pleasant dining experience," and so on.
6. Have each group share its list with the class.
7. Point out that each business has used teamwork to create a list that describes its business.

Vocabulary

Quality business

A business that tries to meet its customers' needs through continuous improvement.

Sixth-Grade Variance

CCSS LA6 W 1.e

Encourage writers to work as a team to provide a concluding statement that sums up the claims made in previous sentences.

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Simulation Connection

During the *JA BizTown* simulation visit, a “Quality Business of the Day” Award or something similar may be given out. To help citizens understand how businesses may be ranked for this award, check Page 14, Application Activity 2, **Ranking Criteria**, and Page 16, Extension Activity 1, **Quality Task Committee**.

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ACTIVITY | 25 minutes

Calculating Business Costs

CCSS Math 5 NBT 5

1. Explain that citizens will learn how to calculate business costs so they know how much money they will need to operate their businesses.
2. Ask why businesses need money to operate. (They must pay for resources—human, natural, and capital.)
3. Explain that when a business is just starting, it has not yet received **revenue** from sales. Revenue is the amount of money received from the sales of goods or services. New businesses often borrow the money to get started. The borrowed money will pay for initial business costs but must be repaid.
4. Explain that each team will apply for a business loan at *JA BizTown* so its business has money to buy necessary resources.
5. Tell citizens that each business team is responsible for completing the paperwork and planning needed to make its business operation a success. Before the teams start the paperwork, walk them through a sample.
6. Ask citizens to turn to their **Citizen Guides**, Page 53, **Sample Business Costs**. Display Page 9, Illustration BizM-1A, **Sample Business Costs**, and demonstrate how to complete each section while citizens complete those sections in their **Citizen Guides**. (The answer key is on Page 10.)

Salaries

- Define **salary** as the money an employee earns for his or her work.
- List first and last names of employees. (Use fictional names.)
- Compute salaries (salary per pay period times the number of pay periods equals the total of each salary).
- Add each salary total to get the total of all employees' salaries.

Operating Costs

- Define **operating costs** as the total of all expenses needed to run a business.
- Add all operating expenses to get the total operating costs.

Vocabulary

Operating costs

The total of all expenses needed to run a business.

Revenue

The amount of money earned from sales.

Salary

The money an employee earns for his or her work.

Teacher Note

The Welcome Letter in the BizPrep envelope will guide the CEO through the process of completing the business paperwork. It will also help prepare the CEO for leading his or her team when on-site at *JA BizTown*.

Vocabulary

Promissory note

A promise to repay a loan within a certain time period.

- Mention each cost listed on the sample and point out that businesses may have different operating costs. For example, a radio ad is not an expense for the *JA BizTown* radio station, but it would be for a restaurant or bank.

Total Business Costs

- Add all salaries and operating costs to get the total business costs.
7. Distribute the appropriate **BizPrep** envelope of paperwork to the chief executive officer (CEO) of each business team. The CEOs will help their teams complete the **Sample Business Costs** sheet. Answer questions as they arise.
 8. Once teams have projected their business costs, they will need to apply for loans from the bank. Businesses must pay interest on their loans at *JA BizTown*.
 9. Instruct each team to complete the loan application and the promissory note in the **BizPrep** paperwork. Define **promissory note** as a promise to repay a loan within a certain time period.

Simulation Connection

Point out to citizens that the amount budgeted for an item may not be the actual amount they will pay. These are maximum estimates. For example, the budgeted amount for utilities may be \$5.00, but the actual bill may only be \$2.00.

The **BizPrep** envelope also contains a Philanthropy Commitment Pledge. Remind citizens that philanthropy is defined as the effort to increase the well-being of people and communities through charitable giving, often to nonprofit organizations.

Explain that quality businesses often invest in and contribute to the communities in which they operate. Ask citizens to read the pledge and have each employee sign it, forming a business-team pledge. Collect **BizPrep** envelopes for the next lesson.



SAMPLE BUSINESS COSTS

SALARIES

Student Name	Account #	Salary	Pay Periods	Total Salary
CEO _____	_____	\$9.00	X 2 = _____	
CFO _____	_____	\$8.50	X 2 = _____	
Food Manager 1 _____	_____	\$8.00	X 2 = _____	
Food Manager 2 _____	_____	\$8.00	X 2 = _____	
Beverage Manager 1 _____	_____	\$8.00	X 2 = _____	
Beverage Manager 2 _____	_____	\$8.00	X 2 = _____	
Sales Manager 1 _____	_____	\$8.00	X 2 = _____	
Sales Manager 2 _____	_____	\$8.00	X 2 = _____	
Sales Manager 3 _____	_____	\$8.00	X 2 = _____	
Sales Manager 4 _____	_____	\$8.00	X 2 = _____	
Total of All Salaries \$				_____

OPERATING COSTS

Advertising	(\$4.00 to newspaper, \$4.00 to radio station, \$4.00 to TV)	\$12.00
Taxes	(\$5.00 to City Hall for property taxes)	\$5.00
Health Care	(\$2.00 to Wellness Center)	\$2.00
Professional Services	(\$2.00 to CPA, \$2.00 to attorney, \$2.00 to insurance)	\$6.00
Rent	(\$8.00 to realty office)	\$8.00
Supplies	(\$5.00 to supply center for start-up, \$2.00 for additional product)	\$7.00
Philanthropy	(\$2.00 to nonprofit organization)	\$2.00
Utilities	(\$5.00 to electric co., \$2.00 to water co.)	\$7.00

Total Operating Costs \$ _____

Total Business Costs

(Salaries plus operating costs.
Enter this amount in the computer.)



SAMPLE BUSINESS COSTS

SALARIES

	Student Name	Account #	Salary	Pay Periods	Total Salary
CEO	Shanice Hopes	101	\$9.00	X 2 =	\$18.00
CFO	Jaylen Thomas	105	\$8.50	X 2 =	\$17.00
Food Manager 1	Paul Jacobs	109	\$8.00	X 2 =	\$16.00
Food Manager 2			\$8.00	X 2 =	
Beverage Manager 1	Tiffany Little	110	\$8.00	X 2 =	\$16.00
Beverage Manager 2			\$8.00	X 2 =	
Sales Manager 1	Michael Small	115	\$8.00	X 2 =	\$16.00
Sales Manager 2	Jade Heins	120	\$8.00	X 2 =	\$16.00
Sales Manager 3			\$8.00	X 2 =	
Sales Manager 4			\$8.00	X 2 =	
Total of All Salaries \$					\$99.00

OPERATING COSTS

Advertising	(\$4.00 to newspaper, \$4.00 to radio station, \$4.00 to TV)	\$12.00
Taxes	(\$5.00 to City Hall for property taxes)	\$5.00
Health Care	(\$2.00 to Wellness Center)	\$2.00
Professional Services	(\$2.00 to CPA, \$2.00 to attorney, \$2.00 to insurance)	\$6.00
Rent	(\$8.00 to realty office)	\$8.00
Supplies	(\$5.00 to supply center for start-up, \$2.00 for additional product)	\$7.00
Philanthropy	(\$2.00 to nonprofit organization)	\$2.00
Utilities	(\$5.00 to electric co., \$2.00 to water co.)	\$7.00

Total Operating Costs \$ \$49.00

Total Business Costs

(Salaries plus operating costs.
Enter this amount in the computer.)

\$148.00

SUMMING IT UP | 5 minutes

- Project or display the **Banks in an Economy Poster** and review the movement of money between banks and businesses.
- Point to the green arrows on the poster between banks and businesses, indicating that banks lend money to businesses and businesses deposit money in the banks and repay loans.
- Review that a loan is an amount of money that is borrowed and must be repaid, usually with interest. Remind citizens that interest is a fee charged for using someone else's money.

OPTION

Move on to Lesson 2, which begins on Page 25, or choose an application activity to give citizens further practice and to reinforce concepts.

- Application Activity 1 focuses on good customer service.
- Application Activity 2 further explains ranking criteria.
- Extension Activity 1 gives citizens an opportunity to work in their business teams and create a quality task committee.
- Extension Activity 2 introduces citizens to BizBriefs, which provide an opportunity to find out more about how businesses operate.

CHECK IT OUT! DAY NINE

Today's beginning balance: \$23.24

You receive \$12.00 allowance for the week. Instead of writing you a check, your parents load an electronic payment of \$12.00 to your account.

Using your debit card, you purchased a new DVD for \$8.27 at Video Mart.

(Ending balance is \$26.97.)

APPLICATION ACTIVITY 1 | 15–20 minutes**Customer Service**

CCSS LA 4/5 W 2.b

MATERIALS

- ❑ Illustration BizM-1B, **The Customer Comes First**
- ❑ **Citizen Guides**

When working at *JA BizTown*, citizens will have to put the needs of customers above their own needs. In this exercise, they have an opportunity to think through some of the skills that show outstanding customer service.

1. Remind citizens that without customers and the money they spend, a business would not generate revenue or make a profit, and it would cease to exist. That’s why the saying “the customer comes first” is embraced by many successful businesses.
2. Ask volunteers to share a personal experience they have had with great customer service and how that service shaped their opinion about the business. Or relate an experience that you have had.
3. Project or display Page 13, Illustration BizM-1B, **The Customer Comes First**, and ask citizens to turn to their **Citizen Guides**, Page 54, **The Customer Comes First**. Discuss how these skills and qualities can improve a business by increasing customer loyalty and return business. For each of the customer service skills, have citizens write a sentence that describes how an outstanding employer or employee would exhibit those skills.
4. At the end of the activity, you may want to have a few citizens volunteer to act out the skill. Or, as a class, you may want to come up with phrases that a worker could use that show good customer service skills: “How may I help you today?” “I can help you with that.” “I don’t know, but I will find out.”



THE CUSTOMER COMES FIRST

Read through the list of good customer service skills. For each skill, give an example or write a sentence explaining why that skill is important to the job.

Give an example of how a childcare worker shows *patience*.

Why is it important that a bus driver pay close *attention* to the road?

How does a teacher demonstrate *clear communication*?

Why does a video game designer need expert *knowledge of game design*?

Is it important for a toy company CEO to have a *positive attitude*? Why?

Give an example of how a chef or baker uses *good time management* skills to prepare food for a party.

Name one way a soccer coach demonstrates *self-control* during a championship game.

Vocabulary

Criteria

The standards used to evaluate alternatives.

Ranking

The process of putting things into a position on an ordinal scale in relation to other similar things.

APPLICATION ACTIVITY 2 | 15–20 minutes**Ranking Criteria****MATERIALS**

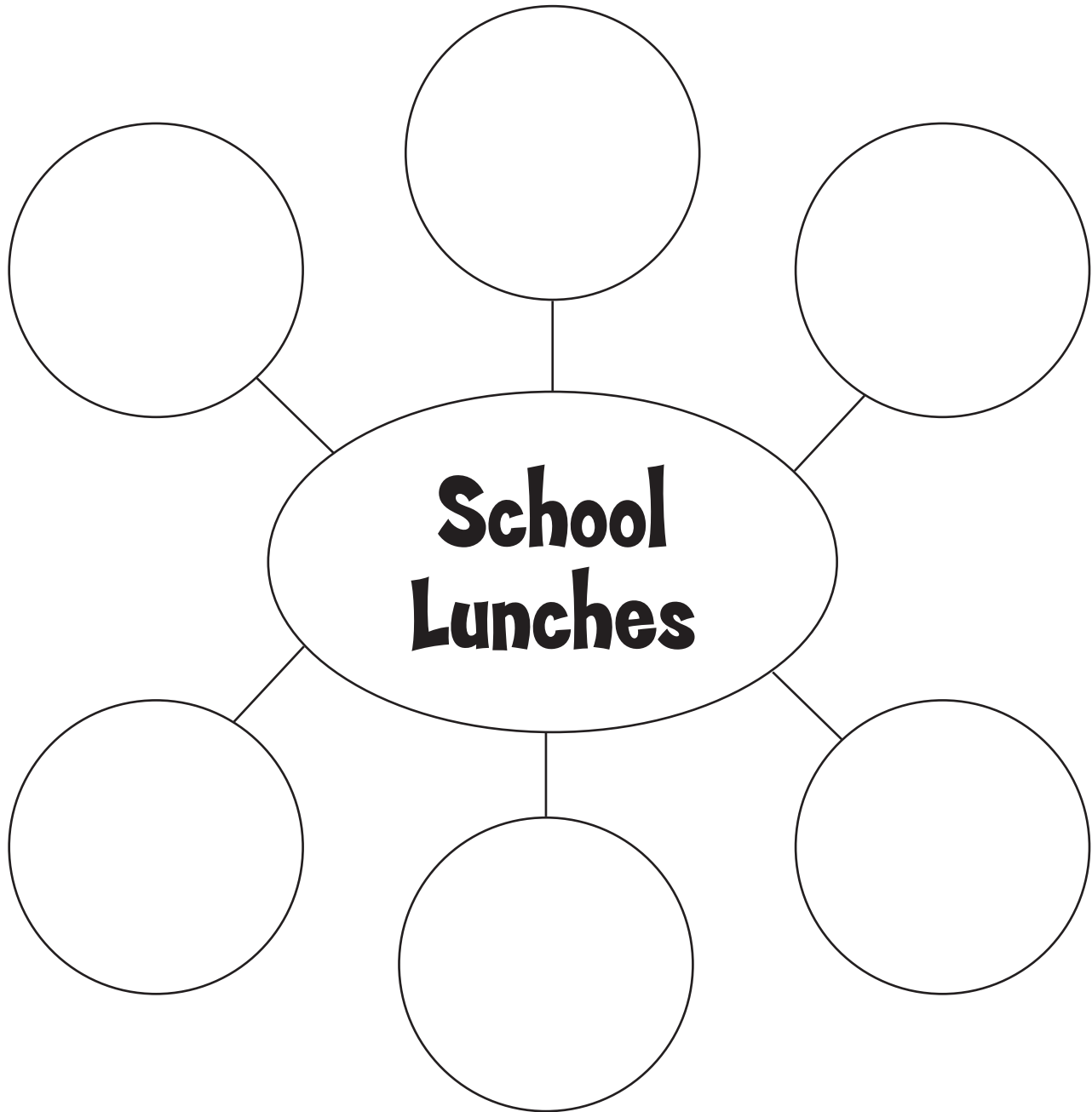
Illustration BizM-1C, **Lunch Web Report**

Citizen Guides

1. Ask citizens to name things that often are ranked. (sports teams, cities, colleges, high school students' academic records, contest winners)
2. Emphasize that **ranking** is the process of putting things into a position on an ordinal scale—usually first, second, third, etc.—in relation to other similar things.
3. Point out that before someone can rank something, criteria must be defined so everyone knows what is being compared. **Criteria** are the standards used in making an evaluation of alternatives. For example, how are people likely to rank baseball teams? (Answers will vary but could include wins and losses, player batting averages, and team World Series championships.)
4. Ask for possible ranking criteria for the following:
 - Students (grades, attendance, behavior)
 - Cities (population, square miles, affordability)
 - Vacation spots (fun for family, cost, safety)
 - Colleges (graduation rates, tuition costs)
5. Explain that there are many ways to rank something. How something is defined and judged depends on the criteria used by the people doing the ranking.
6. Invite citizens to develop criteria that will help rank school lunches. Discuss the following: “Let’s say we wanted to rank elementary schools based on their school lunches. What specific details could we list about school lunches that would help judges rank them?” (main dishes, beverages, desserts, cleanliness, prices, cafeteria seating)
7. Model the process by displaying Page 15, Illustration BizM-1C, **Lunch Web Report**. Citizens may follow along using their **Citizen Guides**, Page 55.
8. Add various specific details in the outer circles that citizens suggest. Summarize by saying that the web now reflects specific details that could help in ranking school lunches.



LUNCH WEB REPORT



EXTENSION ACTIVITY 1 | 15–20 minutes

Quality Task Committee

CCSS LA 4/5 SL 1.d

MATERIALS

- ❑ **Citizen Guides**
- ❑ Illustration BizM-1D, **Brainstorming Rules**
- ❑ Illustration BizM-1E, **BIZ-QTC Web Report**

1. Ask how citizens might rank quality businesses. What standard or characteristic would they choose?
2. Divide the class into groups of three to four citizens to brainstorm about quality businesses. Show Page 18, Illustration BizM-1D, **Brainstorming Rules**, and tell citizens to turn to their **Citizen Guides**, Page 56, **Brainstorming Rules**.
 - Each group should appoint a recorder, but all group members should take notes.
 - There are no wrong answers when brainstorming.
 - Go over the other brainstorming rules that are listed.
3. Answer any questions.
4. After 5–10 minutes, allow groups to share ideas with the entire class. Try to narrow the list to eight to 10 characteristics of a quality business, and record them on the board.
 - Good customer service
 - Strong community involvement and support
 - Satisfied employees
 - Profitable, successful sales
 - Creative ideas and solutions
 - Employee teamwork
 - Strong business ethics
 - Competitive pricing

5. Tell citizens they are now prepared for a special task. They are officially appointed to the *JA BizTown* Quality Task Committee (BIZ-QTC, for short). Each Biz-QTC team must create a web report for one quality business characteristic or standard listed on the board.
6. Display Page 19, Illustration BizM-1E, **BIZ-QTC Web Report**. Have citizens turn to their **Citizen Guides**, Page 57, **BIZ-QTC Web Report**.
7. Assign each group—now a committee—a characteristic or standard from the board. Tell each committee to write the characteristic in the middle circle of the web and write specific details for evaluating it in the outlying web circles. (If citizens did not do Application Activity 2, you may need to model this on the board.)
8. Allow 5-10 minutes for committees to complete their webs. At the end of that time, have each committee share its web. Encourage every citizen to take detailed notes in the **Citizen Guide**, Page 58, **BIZ-QTC Summary Report**. (A copy of the report is on Page 20; a sample of answers is on Page 21.)
9. Congratulate citizens for creating a document to evaluate a business. Explain that the **BIZ-QTC Summary Report** really is a guide to best practices. **Best practices** are the “best ways” to do something to lead to success. The summary report lists important details about how to operate a quality business.
10. Tell citizens to cross out the current title (BIZ-QTC Summary Report) and replace it with the title “Best Practices for a Quality Business.”
11. Point out that you helped guide and organize the citizens’ thinking, but you did not “tell” them how to run a quality business. They apparently knew quite a bit, and they proved it by creating their own best practices guide!

Vocabulary

Best

practices

The “best ways” to do something to lead to success.



BRAINSTORMING RULES

Name _____

1. All ideas are welcome! Write down all ideas that come from your team. You can give your favorites later.
2. One person's idea may give another person a good idea. That's great.
3. Every idea expressed is important. Odd ideas may end up being the best ideas.
4. Work quickly! Keep the pace fast; that's half the fun.

What Are the Characteristics of a Quality Business?

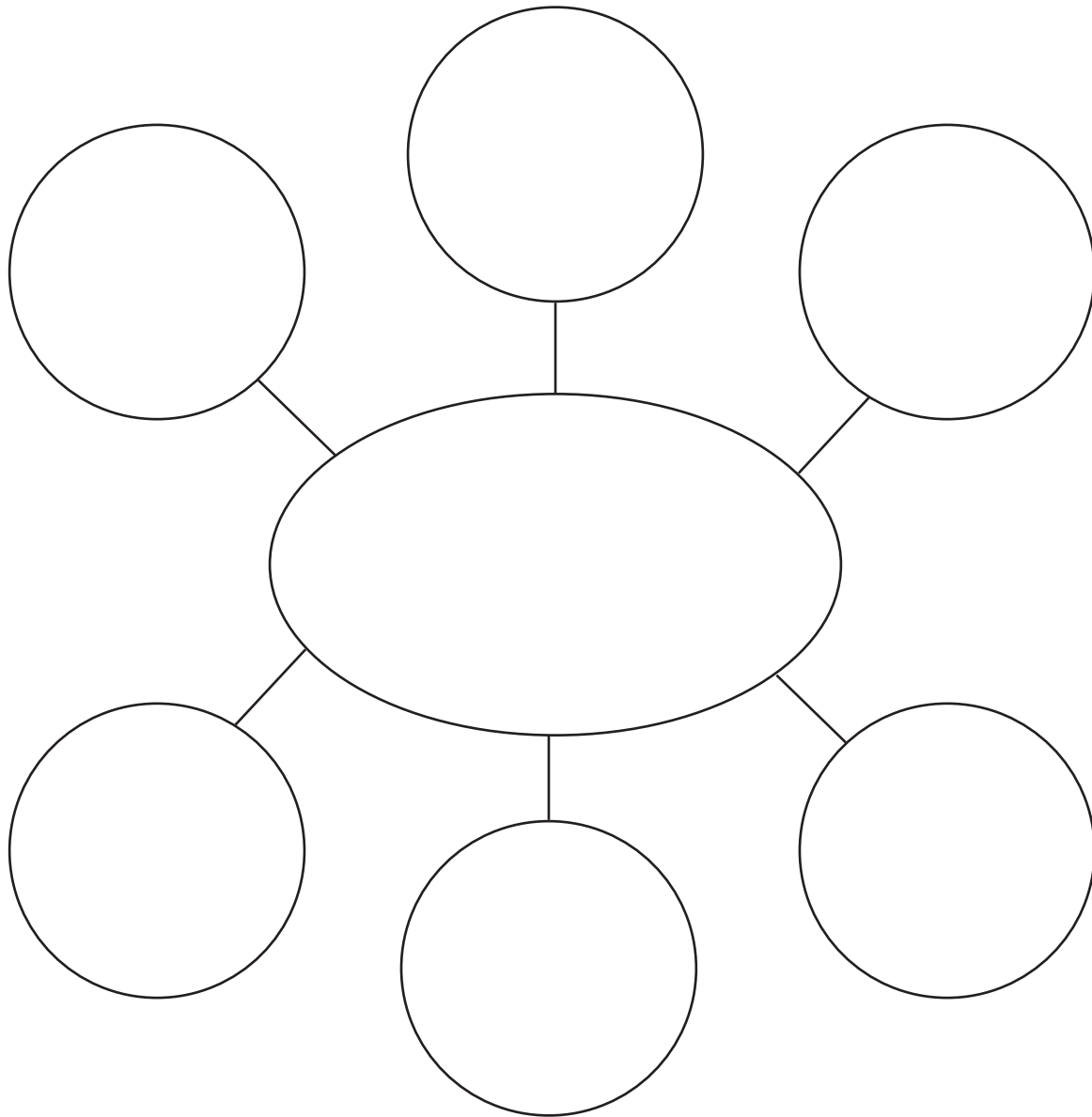
List your ideas below.



BIZ-QTC WEB REPORT

Name _____

Write your assigned characteristic in the middle circle. Write specific details in the outer circles that help measure it. If necessary, draw more circles.





BIZ-QTC SUMMARY REPORT

Name _____

This report summarizes the efforts of all Biz-QTCs. It has been determined by citizens of *JA BizTown* that the following summary of details reflects quality businesses. Remember: The business characteristic is written in the center web circle. The details are from the outer circles.

1. Business Characteristic: _____

Details: _____

2. Business Characteristic: _____

Details: _____

3. Business Characteristic: _____

Details: _____

4. Business Characteristic: _____

Details: _____

5. Business Characteristic: _____

Details: _____

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BIZ-QTC SUMMARY REPORT

Name _____

This report summarizes the efforts of all Biz-QTCs. It has been determined by citizens of *JA BizTown* that the following summary of details reflects quality businesses. Remember: The business characteristic is written in the center web circle. The details are from the outer circles.

1. Business Characteristic: good customer service
 Details: clean store; no waiting; knowledgeable, helpful, and friendly clerks; phone calls and emails answered promptly; customer complaints addressed

2. Business Characteristic: satisfied employees
 Details: good working conditions; adequate pay; good vacation and personal days; strong teamwork; good manager

3. Business Characteristic: strong business ethics
 Details: honest in its actions with customers; employees can be trusted; charges the same fair prices to everyone; treats all customers with respect

4. Business Characteristic: profitable, successful sales
 Details: doesn't overcharge but prices are high enough to earn a profit; pays attention to costs in setting prices; watches unnecessary expenses; evaluates pricing structures frequently

5. Business Characteristic: strong community involvement and support
 Details: participates in community events; gives to local nonprofit organizations; listens to citizens when they have concerns or questions

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Teacher Note

If Extension Activity 1 was already presented, skip steps 1 and 2 in this activity.

EXTENSION ACTIVITY 2 | 35 minutes**BizBriefs**

CCSS LA 4/5 SL 4; RI 1

MATERIALS

- Citizen Guides**
 - Copies of **BizBriefs** provided by JA Area Office
 - Biz-QTC Summary Report Answer Key**
1. Ask how citizens might rank quality businesses. What standard or condition would they choose? (customer service, business ethics, competitive pricing, satisfied employees)
 2. Divide the class into groups of two to four citizens each, depending upon the number of businesses in **BizBriefs**. Give each citizen or group a copy of **BizBriefs**.
 3. Assign a **BizBrief** (a single business) to each group. Have the citizens turn to their **Citizen Guides**, Page 59, **BizBrief Summary**, and answer the questions based on their reading of the brief. (A copy is on Page 24.) Refer to Page 21, **BIZ-QTC Summary Report Answer Key**, for the necessary criteria of quality businesses. You may want to display these for reference or write them on the board.
 4. Allow 10–20 minutes for citizens to complete their work. Each group should appoint a recorder. Have each recorder read the questions and his or her group’s answers to the class.
 5. After all groups have reported, note that the businesses are different in many ways, but they all strive to be quality businesses. That means they work to meet their customers’ needs through a process of continuous improvement.
 6. Ask what might happen if a business did not make the effort to be a quality business. (It might lose money and go out of business.)

7. Point out that the **BizBriefs** booklet features businesses that serve customers and generate profit in different ways.
8. In *JA BizTown*, each citizen will be a member of a business team that will work to develop a quality business and earn a profit.
9. Allow groups 5–10 minutes to think of and list quality business methods they will use in their *JA BizTown* businesses.
10. Collect the **BizBriefs** for reuse or allow citizens to keep them, depending on instructions by your JA Area Office.



BIZBRIEF SUMMARY

Name _____

Read your assigned business description in the BizBrief's booklet and answer the following questions.

1. What is the name of your business? _____
2. What product does this business sell? _____
3. Is this product a good or a service? _____
4. What details tell you that this is a quality business? Be specific.

5. Your future business team soon will prepare paperwork and plan for *JA BizTown*. Name specifics in this BizBrief that you want to remember for your business.

6. Briefly describe two ideas that you have to expand or grow this business. (Be creative with your ideas!)

Citizen Alert!

Businesses create plans to determine their long-term goals.



BUSINESS MANAGEMENT

Lesson 2: Setting Prices

LESSON CONCEPTS

Working in their business teams, citizens recognize the importance of accurately setting the prices of goods and services to earn a profit.

INQUIRY: How much should I charge for my goods and services?

LEARNING OBJECTIVES

Citizens will:

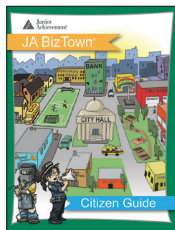
- Define selling price, revenue, profit and inventory.
- Describe factors that affect selling price.
- Explain the relationship between revenue, costs, and profit.

Teacher Note

Split citizens into two groups to do the business paperwork. One teacher can help the CEOs and CFOs complete their paperwork if the class is large. The other teacher can lead the remaining citizens through application and extension activities.

MATERIALS

- ❑ Citizen Guides



- ❑ Illustration BizM-2A, Which Price?

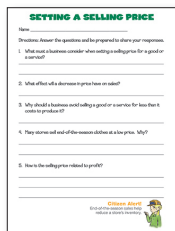
WHICH PRICE?

Kristen and Rachael will sell homemade ice cream in front of their houses. They should choose one flavor and have their citizens decide how many of different prices. The price must be given in 10¢, 20¢, or 30¢ increments. They also know that their cost will be 20 cents per glass.

Let's compare their profit at different prices.

Price	Number of Glasses	Revenue	Cost	Profit
30¢	10			
40¢	20			
50¢	30			
20¢	40			

- ❑ Illustration BizM-2B, Setting a Selling Price



- ❑ Candy bar or other prized item
- ❑ Coupons, paper clips, slips of paper, or other common items

Vocabulary

Selling price

The amount of money a buyer pays and a seller receives for the purchase of a good or service.

Profit

The amount of money left after all business expenses have been paid.

SETTING THE STAGE | 5 minutes

- Choose an item that you know holds some value for your citizens—it could be a candy bar, a toy, or some other prized item. Ask citizens, If you had money, what would you pay to buy this? Encourage citizens to “outbid” one another. You might want to record the bids on the board.
- After you have received multiple offers, say that because this good was a popular item you would be able to set a high price for it, if it were really for sale.
- Tell your class that you also have other items you might like to sell. Offer something that is of lesser value to the citizens but that you have plenty of, such as paper clips or pencils.
- Attempt to get your citizens to pay the same price for those items as they would for the highly valued item.
- Ask your class to suggest a price that would be appropriate for one of the mundane items. Once there is consensus, explain that this would be the **selling price** of the product. Point out that at *JA BizTown* they will have the opportunity to buy goods to bring home. They will want to spend their money wisely, so they will not want to pay more for an item than they think it is worth. Explain that good businesses price their goods or services based on what customers are willing to pay.

FIND OUT MORE about spending money wisely. Check out Page 37, Application Activity 1, **Needs and Wants**.

INSTRUCTION | 15 minutes**Price, Profit, and Revenue**

CCSS Math 5 NBT 5

1. Announce that several businesses in *JA BizTown* will have items to sell. Price setting is an important decision because it affects a business's profit. Remind citizens that profit is the money left over after a business pays all of its costs.
2. Explain that price is important because it often determines whether a person will buy a product, and that affects the revenue of the business making the product.
3. Review that revenue is the price of a good or service multiplied by the quantity sold. For example, if a *JA BizTown* business sells memory bracelets for \$2.00 and sells one each to 50 customers, then its revenue will be \$100.00.
 - Revenue must exceed costs for a business to earn a profit.
 - Write the following expression on the board:
$$\text{revenue} > \text{costs} = \text{profit}$$
 - If a business sets prices too high, it might not have many customers and may end up losing money because it did not sell enough to cover its costs.
 - Write the following expression on the board:
$$\text{revenue} < \text{costs} = \text{loss}$$
 - If a business sets prices too low, it may sell a large quantity, but each item sold could cost more to produce than its price. The business would then have a loss.
4. Explain that the challenge is to set a price that is just right—not too high and not too low.
 - The price must exceed the cost of producing the good or service if the business is to make a profit.
 - A percentage of the business expenses must be added to the selling price of each good or service.
5. Display Page 29, Illustration BizM-2A, **Which Price?** Read the scenario and complete the table. Ask the following questions as you complete the table. (The answer key is on Page 30.)

- How do you compute revenue for each item? (price times the number of glasses sold)
 - How do you compute the costs for the different price levels? (25 cents times the number of glasses sold)
6. Complete the rest of the table with your class. Using the completed table, ask the following questions:
- At which price and quantity will Kirsten and Rashad earn the highest profit? (40 cents; 20 glasses)
 - How much profit will they earn at 40 cents? (\$3.00)
 - What would happen if they lowered the price to 30 cents? (Profit would decrease to \$1.50.)
 - What would happen if they raised the price to 50 cents? (Profit would decrease to \$2.50.)
 - At which price will they lose money and how much? (At 20 cents; they would lose \$2.00.)
7. Debrief the activity with the following:
- What does the table tell us about setting prices? (Raising prices does not necessarily mean a greater profit. Lowering prices to sell more does not necessarily mean a greater profit.)
 - Point out that deciding “which price” to charge for a good or service must be carefully considered.
 - A business probably will not make the greatest profit by charging the highest or the lowest price.
 - Goods that are highly desired can be priced a little higher than other goods.

WHICH PRICE?

Kirsten and Rashad will sell lemonade in front of their house. They asked around and found out how many glasses people would buy at different prices. This information is given in the first and second columns. They also know that their cost will be 25 cents per glass.

Let's compute their profit at different prices.

<u>Price</u>	<u>Number of Glasses</u>	<u>Revenue</u>	<u>Cost</u>	<u>Profit</u>
50¢	10			
40¢	20			
30¢	30			
20¢	40			

WHICH PRICE?

Kirsten and Rashad will sell lemonade in front of their house. They asked around and found out how many glasses people would buy at different prices. This information is given in the first and second columns. They also know that their cost will be 25 cents per glass.

Let's compute their profit at different prices.

<u>Price</u>	<u>Number of Glasses</u>	<u>Revenue</u>	<u>Cost</u>	<u>Profit</u>
50¢	10	\$5.00	\$2.50	\$2.50
40¢	20	\$8.00	\$5.00	\$3.00
30¢	30	\$9.00	\$7.50	\$1.50
20¢	40	\$8.00	\$10.00	-\$2.00

PRACTICE | 25 minutes

Price Setting

CCSS LA 4/5 3.a

1. Project or display Page 32, Illustration BizM-2B, **Setting a Selling Price**, and assign the same worksheet in the **Citizen Guide**, Page 60. Have citizens work in their business teams, led by their chief financial officer (CFO).
2. Discuss the answers with the class. (An answer key is on Page 33.) During the discussion of question #4 on the worksheet, define **inventory** as goods that a business has in stock to sell.
3. Explain that citizens will learn a price-setting method based on business inventory. Have them turn to the **Citizen Guide**, Page 61, **Price Setting for a JA BizTown Business**. Ask, “What is the average price per item?” (\$2.86, rounded to \$3.00) Have teams complete the page and share their answers.

NEED MORE PRACTICE? Check out Page 38, Application Activity 2, **Business Costs and Profit**.

Vocabulary

Inventory
Goods that a business has in stock to sell.



SETTING A SELLING PRICE

Name _____

Directions: Answer the questions and be prepared to share your responses.

1. What must a business consider when setting a selling price for a good or a service?

2. What effect might a decrease in price have on sales?

3. Why should a business avoid selling a good or a service for less than it costs to produce it?

4. Many stores sell end-of-the-season clothes and goods at a low price. Why?

5. How is the selling price related to profit?

Citizen Alert!

End-of-the-season sales help reduce a store's inventory.





SETTING A SELLING PRICE

Name _____

Directions: Answer the questions and be prepared to share your responses.

1. What must a business consider when setting a selling price for a good or a service?
business costs; how much consumers are willing and able to pay

2. What effect might a decrease in price have on sales?
When prices go down, more people will buy.

3. Why should a business avoid selling a good or a service for less than it costs to produce it?
A business must earn a profit to remain in business.

4. Many stores sell end-of-the-season and goods clothes at a low price. Why?
These items are no longer popular; the businesses must make room for new inventories of seasonal items.

5. How is the selling price related to profit?
price x quantity sold = revenue
revenue – costs = profit

Price will affect how much a business sells and how much revenue it earns.

Citizen Alert!

End-of-the-season sales help reduce a store's inventory.





PRICE SETTING FOR A JA BIZTOWN BUSINESS

Name _____

Important Background Information:

1. This business has nine different types of goods or products to sell. Its total inventory is 57 items.
2. The business has seven employees and took out a loan of \$163.00 at the beginning of the day.
3. The business wants to pay back its loan and still earn a profit before the end of the day.
4. To allow all citizens an equal opportunity to buy items from this business, the sales staff will divide the inventory by three and offer one-third of it for sale during each shopping break.

Directions:

1. Complete this inventory sheet as a business team.
2. To start, divide the bank loan by the total number of items for sale to determine the average price per item. Average Price Per Item = _____
3. Price what you think will be popular above the average and less desirable items below the average.
4. Appropriately price the items below so this business makes a profit if all of the items are sold to students during their breaks.

DESCRIPTION	QTY		PRICE EACH		AMOUNT
Address Book	9	X	_____	=	_____
Pen Set	6	X	_____	=	_____
Bead Necklace	6	X	_____	=	_____
Colored Pencil	9	X	_____	=	_____
Poster	3	X	_____	=	_____
Sunglasses	6	X	_____	=	_____
Candle	6	X	_____	=	_____
Key Chain	9	X	_____	=	_____
Puzzle	3	X	_____	=	_____

Simulation Connection

When at *JA BizTown*, employees usually divide their inventory into three groups, an equal number for each shopping period. For example, the sporting goods store may have three hats for sale, but only one hat will be sold during each shopping break. In this way, all citizens have an equal opportunity to purchase items that might otherwise “sell out” before all citizens have a shopping break.

SUMMING IT UP | 5 minutes

Summarize the lesson by posing the following fill-in-the-blank statements:

- Setting the right _____ is important because prices affect the revenue of a business. (price)
- Revenue must be greater than _____ to earn a profit. (costs)
- _____ are affected by business costs and what consumers will pay. (prices)
- Highly desired items can be priced a bit _____. (higher)
- Businesses consider their _____ when setting prices. (inventory)
- A business’s _____, including salaries, rent, and utilities, must be paid by adding a portion of those expenses to the selling price of each good or service it offers. (operating costs)

OPTION

Move on to Lesson 3, which begins on Page 49, or select an application activity to give citizens further practice and to reinforce concepts.

- Application Activity 1 explores the difference between needs and wants.
- Application Activity 2 provides more practice with operating costs and price setting.
- Extension Activity 1 is an inquiry-based exercise in price setting in a historical context.
- Extension Activity 2 presents information about identity theft.

CHECK IT OUT! DAY TEN

Today's beginning balance: \$26.97

Your paycheck of \$8.33 was direct deposited today.

Your little brother's birthday is next week, and you went shopping early and bought him a toy train for \$6.39. You wrote a check to Toys and More for the purchase.

(Ending balance is \$28.91.)

Simulation Connection

When citizens set prices at *JA BizTown*, they are often given guidelines. However, they frequently set prices too low, given their businesses' total operating costs. Remind them to think about setting prices in terms of earning enough money from sales to repay the business loan and make a profit. In most cases, prices of items should range from \$3.00 to \$10.00, depending on their popularity and the supply available. Citizens will have time and money to purchase only two to three products during their visit.

APPLICATION ACTIVITY 1 | 15 minutes

Needs and Wants

NCSS VII.b

Vocabulary

Budget

A plan for saving, spending, and managing money.

MATERIALS

- Lined paper
- Colored pencils or crayons

1. Using a clean sheet of lined paper, citizens should list—without numbering them—five things they want.
2. Ask them, again without numbering, to list five things they could not do without. These should include things like food and water, a place to live, and clothing.
3. Once the lists have been made, have citizens rank their choices using a color-coded system. (Some items may have more than one color.)
 - Use red to underline things that are needed for survival.
 - Use orange to underline things that improve their lives.
 - Use yellow to underline things that make them feel comfortable or happy.
 - Use green for things they enjoy but could live without.
4. Tell the citizens they have a total of 1,000 value points and should assign those points depending on how much they value a particular need or want. Beginning with the most necessary items, underlined in red, and then working through to the green items, citizens should assign each item a number of value points. (Clean clothes might be 50 points while a new video game might be 200 points.)
5. Discuss the process and come to some conclusions. Most often, people will assign the highest value points to their wants and allocate less to their needs. When choosing what to spend money on in life, citizens should consider their needs first, and then put aside money to obtain those things they want. This process is similar to creating a **budget**, which is a plan for saving, spending, and managing money.

Teacher Note

If your class completed Lesson 1, Application Activity 2, in the Community and Economy Unit, you may want to have them continue to use the business from the My Business worksheet on Page 31 of the **Citizen Guide** as the business model for this activity.

APPLICATION ACTIVITY 2 | 30 minutes**Business Costs and Profit**

CCSS Math 5 NBT 5

MATERIALS

- Illustration BizM-2C, **My Business Costs**
- Citizen Guides**

1. Brainstorm with your class some costs of doing business, making a list on the board. (See list below for suggestions.)
2. Have citizens suggest resources that their businesses might buy and use and any other costs that would be necessary to operate their businesses.
3. Possible operating costs would be:
 - Advertising—\$4.00, Getting the word out about the goods or services offered by the business
 - Health care—\$2.00, Providing insurance to prevent and treat illnesses among employees
 - Philanthropy—\$2.00, Donating money or services to increase the well-being of people in the community
 - Professional services—\$4.00, Using services offered by lawyers, insurance agents, and accountants
 - Taxes—\$5.00, Paying property taxes and payroll taxes
 - Recycling and trash disposal—\$2.00, Processing used materials and removing waste
 - Rent—\$8.00, Paying for the use of property
 - Salaries—\$8.00, Paying for the services of workers
 - Supplies—\$5.00, Buying materials to produce goods or supply services (capital resources)
 - Utilities—\$7.00, Paying for water, cable, and electric service

4. Encourage citizens to assign the prices for these operating costs, writing those on the board as well. For your reference, a list of possible operating costs and prices can be found on Page 38.
5. Display Page 40, Illustration BizM-2C, **My Business Costs**, and ask citizens to turn to their **Citizen Guides**, Page 62. Explain that for number 1, they will choose seven business costs they brainstormed and write them on the lines. An eighth cost, taxes, is already shown. They will then imagine four goods or services that their business would offer. (An example answer key is on Page 41.)
6. Using the formula shown on the worksheet, have citizens divide the total operating cost by the total number of items for sale to determine the average price per item.
7. Have them:
 - Set an appropriate (higher) price on what they think will be popular or for goods that require more resources than normal.
 - Set an appropriate (lower) price on less desirable or less costly goods.
 - Calculate the amount of revenue by multiplying the price for each item by the quantity to be sold.
 - Subtract the total operating cost from the revenue.

The goal: Businesses' revenue should exceed their costs so that a profit is earned.

8. Summarize the activity by allowing a few citizens to share their ideas and plans. Assist citizens who may be struggling to make their profits exceed their costs.



MY BUSINESS COSTS

If you were to run a business, what costs would you have? What goods or services would you produce? What would you charge for those goods and services?

- Using the list that your class brainstormed together, choose seven business costs. These are services or resources for which your business might need to pay. An eighth cost, taxes, has been done for you.

Taxes \$5.00

_____	_____
_____	_____
_____	_____
_____	_____

Total operating costs _____

- Think of four goods or services your business would sell.
- Divide your total operating cost by the total number of goods to find the average price per item.
- Price what you think will be popular or goods that require more resources above the average cost per item.
- Price less desirable or less costly goods below the average cost per item.
- Calculate the amount of revenue by multiplying the price for each item by the quantity, then add all the amounts.
- Subtract the total operating cost from the revenue to be sure your business will earn a profit.

Item	QTY	x	Price each	=	Amount
_____	6	x	_____	=	_____
_____	10	x	_____	=	_____
_____	4	x	_____	=	_____
_____	20	x	_____	=	_____
Total _____				=	_____

Total revenue _____ - **Total operating cost** _____ = **Profit** _____

Divide your total operating cost by the number of goods you have to sell to determine the average price per item. Appropriately price your items so that your business would make a profit if all the goods and services were sold.



MY BUSINESS COSTS

If you were to run a business, what costs would you have? What goods or services would you produce? What would you charge for those goods and services?

- Using the list that your class brainstormed together, choose seven business costs. These are services or resources for which your business might need to pay. An eighth cost, taxes, has been done for you.

Taxes \$5.00	Utilities \$7.00
Advertising \$4.00	Recycling \$2.00
Supplies \$5.00	Philanthropy \$2.00
Rent \$8.00	Professional Services \$4.00
Total operating costs	\$37.00

- Think of four goods or services your business would sell.
- Divide your total operating cost by the total number of goods to find the average price per item.
- Price what you think will be popular or goods that require more resources above the average cost per item.
- Price less desirable or less costly goods below the average cost per item.
- Calculate the amount of revenue by multiplying the price for each item by the quantity, then add all the amounts.
- Subtract the total operating cost from the revenue to be sure your business will earn a profit.

Item	QTY	x	Price each	=	Amount	
Flim Flam	6	x	\$1.00	=	\$6.00	
Fuzzy Buddies	10	x	\$1.25	=	\$12.50	
Thingy Ma Bobs	4	x	\$2.00	=	\$8.00	
Doo Dads	20	x	\$1.00	=	\$20.00	
Total			40	=	\$46.50	
Total revenue	\$46.50	-	Total operating cost	\$37.00	= Profit	\$9.50

Divide your total operating cost by the number of goods you have to sell to determine the average price per item. Appropriately price your items so that your business would make a profit if all the goods and services were sold.

EXTENSION ACTIVITY 1 | 25 minutes

History Connection—An Inquiry-Based Lesson CCSS LA 4/5 RI 3; W 7

MATERIALS

- ❑ Computer with Internet access or history books and magazines
- ❑ Illustration BizM-2D, **History Connection—Steps for Success**

This inquiry-based lesson gives citizens an opportunity to find out more about how need and desire affect the pricing of goods, and how that has had an effect on history.

Ask, if an item is very popular or badly needed, how does that affect what people will pay for it?

1. Ask citizens if they or someone in their family has ever tried to purchase something that was not available. Tell them that sometimes a product is so highly sought after and so hard to get that suppliers can charge a price much higher than consumers would normally pay. (An example: very popular toys at Christmas. You may suggest some brand-name toys.)
2. Brainstorm about times in history when a good or service might have been limited and people were willing to pay a high price for what they needed or wanted. (An example: the exorbitantly priced supplies sold to gold miners during the California Gold Rush. Others: PlayStation 2 in 2002 and the iPhone in 2018.)
3. Citizens should use the Internet, history books and magazines, or other materials to research an item that was highly desired at some point in history and how that desire affected the price of the item. Display Page 43, Illustration BizM-2D, **History Connection—Steps for Success**, to help keep the researchers on track.
4. Citizens should:
 - Prepare a paragraph or visual aide showing how the need for the item came about.
 - Include a picture of the product.
 - Briefly report on the product or service and how consumers' desire for it may have influenced the price of that good. They should include any other interesting facts about the product.

HISTORY CONNECTION—STEPS FOR SUCCESS

Think of a good or service whose price has increased over time.

Search the item and the word “history” to find an article with more details.
For example, _____ history.

Spend about _____ minutes looking for a good or service that fits this description.

Choose one that most interests you.

Open a document and copy and paste a picture of the good or service.

Your document should also contain the following:

- A catchy title
- The name of the good or service
- A short paragraph with a supporting statement and details
- The price of the good now and when it was first sold
- Any other important or unusual information about the good or service

And don't forget:

- ✓ Check your spelling.
- ✓ Use complete sentences with proper punctuation.
- ✓ Write your name on the paper.

EXTENSION ACTIVITY 2 | 30 minutes**Identity Theft**

CCSS LA 4/5 RI 2

MATERIALS

- Resource BizM-2E, **Identity Theft One** (make one or two copies for group one)
- Resource BizM-2F, **Identity Theft Two** (make one or two copies for group two)
- Illustration BizM-2G, **Tips to Prevent Identity Theft**
- Lined paper or notebooks
- Scratch paper and small paper bag or other container.

Now that citizens have explored the basics of spending money, they should be aware of the dangers of identity theft and Internet scams and the importance of keeping their personal information secure. In this role-play game, one team learns the steps to prevent identity theft while another team acts as a group of spies trying to steal those steps.

1. Partner students and have them shadow each other's movements for one minute. After a minute or so have students turn their attention to you.
2. Say, "Shadowing someone's movements is fun. Sadly, though, in real life, identity thieves shadow people to steal their personal information, money, or name."
3. Inform your class that identity theft is taking someone else's personal information (such as their name, ID card number, Social Security number, bank account password, or debit card PIN number) and using it for their own gain.
 - An impostor can use the stolen identity to open credit accounts or steal money from bank accounts.
 - Identity theft is a serious crime.

4. Announce that you are going to play a game for which you will need two teams. The teams will race to see who can write down the most identity theft prevention steps in 5 minutes. (In actuality, only one team will be writing down the steps given to them. The other team will be given information on ways to work as spies to uncover the theft-prevention information.)
5. Divide the class in half by numbering off in ones and twos, and have the groups go to separate sides of the room. Give half of the class Page 46, Resource BizM-2E, **Identity Theft One**. They will work individually or in pairs to write down the information. Give the other half of the class Page 47, Resource BizM-2F, **Identity Theft Two**. Have them follow the directions on the handout. (They will actually be learning ways to uncover the information from the other team.) After 5 minutes, call the class back to their seats. Appear distracted for 3-4 minutes to allow the “spies” to do their espionage work.
6. When you are ready, announce to the class that Team 2 (the spies) did not receive the identity theft information. Ask Team 2 to share some of the notes they were able to uncover from Team 1. Lead a discussion that reveals that citizens in Team 1 unknowingly gave away theft-prevention information to the identity thieves on Team 2. Some sample questions for the spies might be: How did you find out that identity thieves listen to conversations? Was it hard to be sneaky and listen in on conversations? Was it easy to get information that way? Ask the members of Team 1 if they were aware that Team 2 was trying to get their answers.
7. Inform citizens that just as Team 1 members were not aware that their information was being taken, people usually are not aware when their personal information is being stolen.
8. For the remainder of the class period, read through Page 48, BizM-2G, **Tips to Prevent Identity Theft**, either by giving small discussion groups the page and allowing them to talk it through or by displaying the Illustration and reading through the tips as a class.

IDENTITY THEFT ONE

Directions: Use lined paper to take notes on the following information. See how many of the main ideas you can write down in 5 minutes. Work alone or as a team.

Identity thieves can get your information by:

1. Looking through your trash for bills or other documents containing your personal information.
2. Stealing your mail or wallet.
3. Stealing your credit card or debit card numbers.
4. Reading your text chats on social media or in public chat rooms.
5. Tricking you into giving them information by phone or email.
6. Obtaining your information on the Internet.
7. Stealing your information from a loan or credit application.
8. Hacking into your personal computer or mobile phone.
9. Accessing your personal information, such as your PIN number, using someone you know, such as a friend, relative, roommate, co-worker, or employee.

Source: California Department of Motor Vehicles

IDENTITY THEFT TWO

Directions: The other team will be copying theft-prevention information from their worksheet. Your team will be a group of spies working to get that information. It is your job to obtain that information from them without their knowledge.

See how many of the nine points you can discover by:

- Asking questions.
- Looking at someone's paper.
- Taking a picture of their page.
- Listening to their conversations.

Speak softly. You do not want members of the other team to know you are after their answers.

In 5 minutes, the teacher will ask the class members to go back to their seats. Use your spy skills to get as many of the nine points from the other team as you can.

In the meantime, quietly discuss strategy with the other members of your group and act like you also are taking notes. You may work individually or team up with someone.

TIPS TO PREVENT IDENTITY THEFT

1. Be alert.
 - Never give out personal information on the phone or through the Internet unless you know the person.
 - Phishing email messages, websites, and phone calls are designed to steal money by pretending to be from trustworthy businesses. Malware (short for harmful software) is used to interrupt your computer, gather information, or gain entry into private systems.
2. Don't overshare on social networking sites.
 - Never give out your address or telephone number on the Internet.
 - Cybercriminals also use social media to try to trick you to install malicious software or give out personal information.
 - Cybercriminals might email you, call you on the phone, or convince you to download something off of a website.
3. Keep bank documents locked in a safe place in your home or in a bank.
 - Limit the cards you carry. Never carry your PIN number with your bank card.
4. Keep your browser secure.
 - Keep passwords private and use strong passwords with lots of different letters, numbers, and symbols. For example, "I want to see the Pacific Ocean" could become 1W2ctPO.
 - Never buy anything over the Internet without adult permission.
 - Always log out when using the Internet on public computers, such as those at libraries.
5. Remove information before discarding electronic devices.
 - Remove the memory card and all personal information from a mobile device before you dispose of it.
 - Before you get rid of your old computer, permanently erase your hard drive data or destroy your hard drive.
 - Use an e-waste facility to recycle your computer, laptop, and cell phones.
 - Be careful about discarding any items containing personal information.

BUSINESS MANAGEMENT

Lesson 3: Visit Preparation

LESSON CONCEPTS

Citizens learn the importance of advertising to attract customers. They create advertising for their *JA BizTown* businesses that will be used on simulation day. They also prepare their check registers and first deposits in preparation for their visit to *JA BizTown*.

INQUIRY: Why should I advertise?

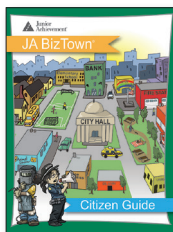
LEARNING OBJECTIVES

Citizens will:

- Define advertising.
- Describe characteristics of effective advertising.
- Acknowledge how effective teamwork and cooperation enhance business teams.
- Appreciate how careful completion of details ensures a more successful *JA BizTown* visit.

MATERIALS

- ☐ Citizen Guides

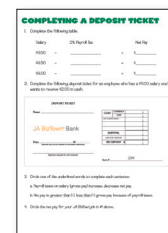


- ☐ BizPrep envelopes (available from your local JA Office)

- ☐ Illustration BizM-3A, Advertising Works



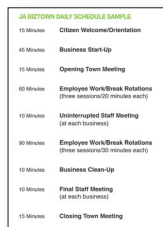
- ☐ Illustration BizM-3B, Completing a Deposit Ticket



- ☐ Illustration BizM-3C, Direct Deposit Enrollment Form (if applicable)



- ☐ Illustration BizM-3D, JA BizTown Daily Schedule Sample



- ☐ *JA BizTown* Checkbook materials (available from your local JA Office)

- ☐ Staplers

- ☐ Scissors

SETTING THE STAGE | 5 minutes

- Have citizens identify ways they have seen or heard advertisements. (TV, Internet, radio, newspaper, magazine, sides of vehicles, billboards)
- Ask a few citizens to describe their favorite ads.
- Ask a few citizens to describe ads they do not like.

Simulation Connection

JA Staff will provide educators a URL link and login credentials to the *JA BizTown* Web Portal. This is a secure site that allows pre-simulation entry of student job assignments, salary, bonus dollars earned (if applicable), Letters to the Editor, newspaper advertisements, and newspaper articles.

Pre-entry of content will allow students to have a more heads-up view of their business; for example, newspaper student employees will focus on the visual design and editing of articles and ads, and will also have the ability to write additional content. Business CFOs will verify and process job assignment data.

IMPORTANT NOTE: All information must be finalized and entered in the web portal 24 hours prior to the scheduled arrival time. Bonus salary earned by students cannot be entered in the software during the on-site visit, it must be entered in advance, via the *JA BizTown* Web Portal.

ACTIVITY | 20 minutes

Advertising

CCSS LA 4/5 L 5

1. Remind citizens that quality businesses work to serve their customers' needs as a way to increase sales and, ultimately, to make a profit. Advertising helps bring buyers and sellers together.
 - **Advertising** is a way of persuading people to want goods or services.
 - Businesses seek the best advertising method and location. This varies from business to business.
2. Remind citizens that advertising is an operating cost at *JA BizTown*, and they must develop advertising appropriate for their market. Businesses try to target their advertising to the people who might need or want their products.
3. Have citizens meet in their business teams. Tell them to turn to **Citizen Guide**, Page 63, **Advertising Works**, and brainstorm ads they remember and like. (A copy is on Page 52.) They should explore why they like certain ads. Team members should discuss their choices but record answers individually.
4. Tell citizens to record these advertising characteristics in their guides. Good ads do the following:
 - Grab our attention
 - Hold our interest
 - Create a desire for the product
 - Prompt us to buy the product
5. Ask why the last two are important. (They help bring the buyer and seller together.)
6. Give each business team its **BizPrep** envelope.
 - Each team will develop one or more advertisements for its business.
 - Inform teams of their advertising choices—radio, newspaper, blog, or TV ads, according to what is available at your *JA BizTown* site.
 - Direct the CEOs to lead their teams to prepare advertising using the appropriate **BizPrep** page(s). Give them a minimum of 10 minutes to prepare their ads.

NEED MORE PRACTICE with advertising? Check out Page 61, Application Activity 1, **Slogans and Logos**; and Page 63, Application Activity 2, **Jingles**.

Vocabulary

Advertising

A way of persuading people to want and buy goods or services.



ADVERTISING WORKS

Name _____

Directions: In the first column, name or briefly describe ads you like. In the second column, briefly explain why you like them.

An Advertisement I Like	Why I Like It

Characteristics of a Good Advertisement

1. _____
2. _____
3. _____
4. _____

ACTIVITY | 25 minutes

Preparing for the Visit

CCSS Math 5 NBT 5

1. Give a **JA BizTown Checkbook** to each citizen. Emphasize that these checkbooks are for their personal use at *JA BizTown*, not for paying business costs. Tell them they are to personalize the checkbooks by:
 - Writing their names and account numbers on the cover of their checkbooks.
 - Writing their names and account numbers in the proper place on all deposit tickets and checks.
2. Ask citizens to return to their **Citizen Guides**, Page 29, *JA BizTown Citizen Pledge*. Tell them to cut out their voter registration cards and staple them to the back of their checkbooks. They will use these to vote at *JA BizTown*.
3. Explain that citizens will prepare two transactions in their personal checkbooks before they go to *JA BizTown*. When they receive their first paycheck and go to the bank, their first deposit ticket and their first check register entry must be completed.
 - There are three salary levels for employees at *JA BizTown* (\$9.00, \$8.50, \$8.00). Citizens will receive two paychecks.
 - Taxes will affect how much net pay each citizen actually receives.
4. Explain that *JA BizTown* has a 2 percent payroll tax. Have citizens turn to their **Citizen Guides**, Page 64, **Completing a Deposit Ticket**, to follow along as you show Page 55, Illustration BizM-3B, **Completing a Deposit Ticket**. (The answer key is on Page 56.) Discuss the tax deduction for each salary level and compute net pay on the illustration.

Simulation Connection

At *JA BizTown*, a 2 percent payroll tax will be deducted from each employee’s salary. Gross and net pay amounts are as follows:

<u>Gross</u>	<u>Net</u>
\$9.00	\$8.82
\$8.50	\$8.33
\$8.00	\$7.84

5. Explain that citizens will write checks or use debit cards for most things they purchase at *JA BizTown*. There are only a few businesses that allow cash purchases. The maximum amount of cash they may withdraw each time they deposit a paycheck is \$2.00.
6. Complete the **deposit ticket** on Illustration BizM-3B for a salary of \$9.00 by entering net pay (\$8.82), less cash received (\$2.00), and net deposit (\$6.82).
 - Direct citizens to make the same entries in their **Citizen Guides**.
 - They should circle the net pay they will receive for their specific job under #1 on the page.
7. Tell citizens to complete their first deposit ticket in their checkbooks, using the net pay they circled.
 - They should not remove the deposit ticket.
 - They should ask for \$2.00 in cash when they make their first bank deposit.
 - Direct Deposit may be available in your area. Please check with your JA Area staff for instructions. If so, have citizens fill out the **Direct Deposit Enrollment** form found in the **Citizen Guide**, Page 65, and in this guide, Page 57, Illustration BizM-3C. If you like, you can display the form.
8. Explain that all citizens will open a savings account at the *JA BizTown* Bank and will be able to determine how much they want to save.
 - Citizens will transfer an amount from their checking to their savings at the bank.
 - They will enter these transactions in their transaction registers, making sure the entries and math calculations are accurate.
9. When citizens are finished, tell business teams to put all checkbooks and paperwork into their **BizPrep** envelopes. Collect the envelopes.

.....

Simulation Connection

The organization of each *JA BizTown* is unique. At some facilities, citizens may use one bank for their checking account and a separate financial institution for savings.

.....



COMPLETING A DEPOSIT TICKET

1. Complete the following table.

Salary		2% Payroll Tax	=	Net Pay
\$9.00	-	_____	=	\$ _____
\$8.50	-	_____	=	\$ _____
\$8.00	-	_____	=	\$ _____

2. Complete the following deposit ticket for an employee who has a \$9.00 salary and wants to receive \$2.00 in cash.

DEPOSIT TICKET

Name _____

JA BizTown® Bank

Date _____ 20____
Deposits may not be available for immediate withdrawal.

Signature required for cash received.

CASH	CURRENCY				
	COIN				.
LIST CHECKS SINGLY					
					.
					.
SUBTOTAL					.
LESS CASH RECEIVED					.
NET DEPOSIT			\$.

Acct.# _____ 234 _____

3. Circle one of the underlined words to complete each sentence:

a. Payroll taxes on salary (gross pay) increase, decrease net pay.

b. Net pay is greater than (>), less than (<) gross pay because of payroll taxes.

4. Circle the net pay for your *JA BizTown* job in #1 above.



COMPLETING A DEPOSIT TICKET

1. Complete the following table.

Salary		2% Payroll Tax	=	Net Pay
\$9.00	-	<u>.18</u>	=	\$ <u>8.82</u>
\$8.50	-	<u>.17</u>	=	\$ <u>8.33</u>
\$8.00	-	<u>.16</u>	=	\$ <u>7.84</u>

2. Complete the following deposit ticket for an employee who has a \$9.00 salary and wants to receive \$2.00 in cash.

DEPOSIT TICKET			
Name _____	CASH	CURRENCY	.
		COIN	.
	LIST CHECKS SINGLY		8.82
			.
			.
	SUBTOTAL		8.82
	LESS CASH RECEIVED		2.00
	NET DEPOSIT	\$	6.82

JA BizTown® Bank

Date _____ 20 _____
Deposits may not be available for immediate withdrawal.

Signature _____
Signature required for cash received.

Acct.# _____ 234

3. Circle one of the underlined words to complete each sentence:
- a. Payroll taxes on salary (gross pay) increase, decrease net pay.
- b. Net pay is greater than (>), less than (<) gross pay because of payroll taxes.
4. Circle the net pay for your JA BizTown job in #1 above.



DIRECT DEPOSIT ENROLLMENT FORM

If you wish to enroll in Direct Deposit, you must fill out this form.

Required information for enrolling in Direct Deposit

____ Yes, I would like to enroll in Direct Deposit.

Your Name:

Last Name	First Name
-----------	------------

Account number

JA BizTown Business

SUMMING IT UP | 5 minutes

- Display Page 59, Illustration BizM-3D, **JA BizTown Daily Schedule Sample**. Read through the schedule with your class and answer any questions (or use the schedule provided by your local JA Area office).
- Direct citizens to verify that all items listed in the **Citizen Guide**, Page 67, **Citizen Checklist**, are complete. They should make you aware of any items on the list that need further work. (A copy is on Page 60.)
- Have them remove the **Family Newsletter**, Page 69, from their **Citizen Guides** and take it home. (A copy is on Page 68.)
- An assessment is available on Pages 69 and 70, followed immediately by the answer key.

OPTION

This is the end of the pre-visit lessons. If desired, choose an application activity to give citizens further practice and to reinforce concepts.

- Application Activity 1 gives citizens a chance to learn more about advertising slogans and logos.
- Application Activity 2 introduces radio and television jingles.
- Extension Activity 1 instructs citizens in writing letters to the editor.
- Extension Activity 2 instructs citizens in writing a friendly letter.

Simulation Connection

Your local JA Area staff may determine that **Letters to the Editor** (Extension Activity 1) and **Friendly Letters** (Extension Activity 2) are required components of simulation preparation. If so, consider dedicating time during your writing workshop or language arts class to complete them.

JA BIZTOWN DAILY SCHEDULE SAMPLE

15 minutes	Citizen Welcome/Orientation
45 minutes	Business Start-Up
15 minutes	Opening Town Meeting
60 minutes	Employee Work/Break Rotations (three sessions/20 minutes each)
10 minutes	Uninterrupted Staff Meeting (at each business)
90 minutes	Employee Work/Break Rotations (three sessions/30 minutes each)
10 minutes	Business Cleanup
10 minutes	Final Staff Meeting (at each business)
15 minutes	Closing Town Meeting



CITIZEN CHECKLIST

Name _____

This is a checklist of items you must complete before coming to *JA BizTown*. Write your initials next to each item you have finished. Any unfinished items need to be completed at school before you come to *JA BizTown*. Please see your teacher if you have questions or need time to finish.

1. I wrote my name and account number on each check in my personal checkbook. _____
2. I wrote my name and account number on each deposit ticket in my personal checkbook. _____
3. I completed my first deposit ticket for my payroll check and subtracted my cash back. _____
4. I recorded my net deposit in my check register and calculated my new balance. _____
5. I recorded my transfer to savings in my transaction register and calculated my new balance. _____
6. I cut out my voter registration card and stapled it to the back of my checkbook cover. _____
7. My checkbook and team paperwork have been placed in the BizPrep envelope and given to my teacher. _____

APPLICATION ACTIVITY 1 | 15 minutes

Slogans and Logos

CCSS LA 4/5 L 5

MATERIALS

- ❑ Lined paper, two sheets per team
1. Ask citizens if they know what slogans and logos are and what they are used for.
 - A **slogan** is a short, memorable motto or phrase used in an advertising campaign.
 - A **logo** is a graphic mark or emblem used to promote a business or product.
 2. Divide the citizens into four to six teams. Have members of each team list 10 advertising slogans or logos that have caught their attention. Remind students that slogans are memorable, simple to understand and quickly identify a company. (Have team members keep their discussions quiet so others teams can't overhear.) They should number each slogan or logo. Allow about 5 minutes.
 3. On a separate piece of paper, numbered one through 10, citizens should write the businesses to which the slogans or logos belong. Have them make sure the identifying numbers on both lists match. They will keep this answer page.
 4. Have each team trade their list of slogans or logos with another team. Give those teams 3-5 minutes to identify and write down the companies that use those slogans or logos.
 5. At the end of the appointed time, teams should exchange and correct each other's papers. The team with the most correct answers is the winner. (A suggested list can be found on Page 62, **Catchy Slogans.**)

Vocabulary

Logo

A graphic mark or emblem used to promote a business or product.

Slogan

A short, memorable motto or phrase used in an advertising campaign.

CATCHY SLOGANS

1. What's in Your Wallet? _____ **Capital One**
2. Think different. _____ **Apple**
3. Eat Fresh. _____ **Subway**
4. Live Más _____ **Taco Bell**
5. You're in Good Hands _____ **Allstate**
6. I'm Lovin' It _____ **McDonald's**
7. We Have the Meats _____ **Arby's**
8. Just Do It. _____ **Nike**
9. It Keeps Going and Going and Going _____ **Energizer**
10. Finger Lickin' Good _____ **KFC**

APPLICATION ACTIVITY 2 | 15 minutes

Jingles

1. Explain that a **jingle** is a catchy tune used to advertise a business or product. Good jingles should:
 - State the name of the product.
 - Have a simple or repetitive tune.
 - Tell one distinctive feature about the product.
 - Make a valid claim.
2. Ask citizens if they know of an advertising jingle they could hum.
3. Have a volunteer hum a jingle and allow other citizens to guess what product it advertises.
4. After a few minutes of this play, direct the business teams to work on an advertising jingle for their businesses that could be used on the *JA BizTown* radio or television station.

Vocabulary

Jingle

A catchy tune used to advertise a business or product.

EXTENSION ACTIVITY 1 | 30 minutes**Letters to the Editor**

CCSS LA 4/5 W 1

MATERIALS

- Paper for letter writing
 - Illustration BizM-3E, **Letters to the Editor**
1. Explain to citizens that most newspapers have an opinion section where readers can express their opinions about what they read. Readers express their views by writing letters to the editor or posting their opinions online. The letters or comments may be supportive or critical of an issue.
 2. In *JA BizTown*, citizens will have the opportunity to write a letter to the editor and have it included in the newspaper.
 3. Display Page 65, Illustration BizM-3E, **Letters to the Editor**, and review the guidelines citizens will use for their letters.
 4. Tell citizens they should write a brief letter that will address the editor (Dear Editor), state the topic, express the writer's opinion, the reason for the opinion, and a suggested action or response to the topic. Allow citizens 20 minutes to complete their letters.

LETTERS TO THE EDITOR

Letters to the editor are written for various reasons. They are written to:

1. Express an opinion about an article.
2. Express an opinion about something that happened in the news.
3. Compliment or criticize a city official.
4. Suggest a solution for a city official to consider.

It is important to be concise when writing a letter to the editor. Here are some guidelines to discuss with citizens.

1. State your point clearly in the first sentence.
Example: *Citizens should have a chance to express their concerns before Friday's vote.*
2. If you have an opinion, make it known.
Example: *I disagree with the mayor's decision to close the City Park.*
3. If you are reacting to another article, identify it.
Example: *In Tuesday's paper, Ms. Smith called for higher taxes, and I would like to respond.*
4. Be polite and respectful.
Example: *I appreciate the chance to share my view.*

Teacher Note

Citizens may fold their letters into thirds, tape them closed, and put the address on the outside. *JA BizTown* business addresses can be found in the Visit Information Tab of this guide.

EXTENSION ACTIVITY 2 | 25 minutes**Friendly Letters**

CCSS LA 4/5 W 4

MATERIALS

- Paper for letter writing
- Illustration BizM-3F, **Friendly Letters**

1. Explain to citizens that each of them will write a letter to another citizen who will be visiting *JA BizTown*. These letters will be delivered on simulation day.
2. Display Page 67, Illustration BizM-3F, **Friendly Letters**, and review the parts of a letter. (If preferred, use your standard format for letter writing.)
3. The topic of the friendly letter may be assigned or left to each citizen's discretion.
 - Letters should be put in an envelope and addressed to the recipient at their business name and address at *JA BizTown*.
 - A return address should include the letter writer's name, business name, and *JA BizTown* address.
 - *JA BizTown* business addresses can be found in the Visit Information Tab of this guide.

FRIENDLY LETTERS

Friendly letters usually have these parts:

Heading

(address and date)

Greeting (Dear _____,)

Body

(paragraphs of the letter)

Closing

(Sincerely, Your friend, Love)

Signature

(Your name in cursive)

Postscript

(Sometimes a P.S. is added!)

Heading

6599 Classroom Blvd.
Happy Town, VT 09321
July 1, 2019

Greeting

Dear Crystal,

Body

Guess what I found out today? I will be a teller in the *JA BizTown* Bank when our class visits in a week or so. I'm really excited to be in the bank because you know how much I love money! I will help my friends make deposits and cash checks. Best of all, I earn a salary so I can shop at the other businesses.

Our business team still has a lot to plan before we go, but it's actually fun. Darren is on my team, so I was really happy about that. We will create some advertising for our bank soon. I hope we can think of some good ideas.

Well, I have to go. It's time for math. I need to brush up on my adding and subtracting before I go to *JA BizTown*! I hope to see you soon.

Postscript

Closing

Your friend,
Stephanie

Signature

P.S. I almost forgot. Did you know Kwamen is moving to Colorado?

PREPARATIONS FOR THE JA BIZTOWN VISIT

Your child just completed the Business Management unit in *JA BizTown*'s curriculum and should be getting excited about the upcoming visit to the Junior Achievement facility. This most recent unit focused on final preparations for the visit to the simulated community. By now, you should also have details about the visit so that you can share in your child's excitement. The most recent lessons, which included Business Costs and Setting Prices, helped the students prepare for their roles in their businesses. And the Visit Preparation lesson helped students gain a better understanding about what will happen on the day of their visit.

All students—or citizens, as they are called in the program—have applied for and received jobs at *JA BizTown*. They have worked in their business teams, practicing the teamwork skills they explored in the previous unit. Teams spent time brainstorming the characteristics of good businesses and discussing “best practices” to help guide their efforts as they operate their own businesses at *JA BizTown*.

Some citizens were surprised by the many costs associated with running a business—among them, taxes, health care, advertising, salaries, rent, supplies, and utilities. At *JA BizTown*, business teams will apply for a business loan to cover these costs initially. Then, employees will seek to pay off the loan before returning to school. Citizens learned that a promissory note is a promise to repay a loan within a certain time period.

How will they pay off their loans? Most citizens will work in businesses that sell products (goods or services), so they will seek a selling price that can generate enough revenue to pay off the loans and allow for a profit. Sometimes it works, and sometimes it doesn't. That is the heart of experiential-learning simulations such as *JA BizTown*. Students make choices and are able to live out the consequences in a safe environment. Be sure to ask your student if his or her business repaid its loan on time!

BizTalk!

Ask what “Check It Out!” means.

BizTalk!

Ask about your student's job responsibilities.

BizTalk!

Ask about the advertisement your student's team created, and share some of your favorite ads and slogans.

BUSINESS MANAGEMENT

Teacher References

BUSINESS MANAGEMENT ASSESSMENT

Section One: Circle the answer or answers that best apply to the question.

1. Which of the following are business expenses?

- a. personal care
- b. advertising
- c. revenue
- d. supplies

2. Which **two** bank services is a new business likely to need?

- a. balance
- b. salary
- c. loan
- d. checking account

3. Price for products that are popular often will _____.

- a. remain constant
- b. be priced higher
- c. supply less
- d. be worth less

4. What is the term for revenue left over after paying business costs?

- a. profit
- b. gross balance
- c. inventory
- d. loss

Section Two: True or false?

5. Charging more for an item guarantees a higher profit. T F

6. A quality business follows a model of best practices. T F

7. Good advertising only tells people what they want to hear about a product. T F

8. Net pay is the amount of money a worker receives from an employer. T F

Section Three: Fill in the blanks

9. The money a business collects from sales is called _____.

10. Selling price is the amount of money a buyer pays and a seller _____ for a good or service.

11. To make a profit, a business's revenue has to be _____ than its costs.

12. The goods that a business has in stock to sell are called _____.

BUSINESS MANAGEMENT ASSESSMENT (continued)

13. As an employee of a business at *JA BizTown*, you will receive two paychecks and need to _____ them in the bank.

14. When depositing a check, it is important to _____ it.

15. Describe the characteristics of a good advertisement. _____

16. Why is teamwork important to a quality business?

BUSINESS MANAGEMENT ASSESSMENT

Section One: Circle the answer or answers that best apply to the question.

- Which of the following are business expenses?
 - personal care
 - advertising
 - revenue
 - supplies
- Which two bank services is a new business likely to need?
 - balance
 - salary
 - loan
 - checking account
- Prices for products that are popular often will _____.
 - remain constant
 - be priced higher
 - supply less
 - be worth less
- What is the term for the revenue left over after paying business costs?
 - profit
 - gross balance
 - inventory
 - loss

Section Two: True or false?

- Charging more for an item guarantees a higher profit. T **(F)**
- A quality business follows a model of best practices. **(T)** F
- Good advertising only tells people what they want to hear about a product. T **(F)**
- Net pay is the amount of money a worker receives from an employer. **(T)** F

Section Three: Fill in the blanks

- The money a business collects from sales is called revenue.
- Selling price is the amount of money a buyer pays and a seller receives (or gets) for a good or service.
- To make a profit, a business's revenue has to be greater than its costs.
- The goods that a business has in stock to sell are called inventory.

BUSINESS MANAGEMENT ASSESSMENT (continued)

13. As an employee of a business at *JA BizTown*, you will receive two paychecks and need to deposit them in the bank.

14. When depositing a check, it is important to endorse it.

15. Describe the characteristics of a good advertisement. grabs a buyer's attention; holds a person's interest; creates a desire for the product; prompts a person to buy the product

16. Why is teamwork important to a quality business?
Employees who work together can help a business provide good customer service. It takes all employees to get the tasks done at JA BizTown for the business to be successful.

COMMON CORE STATE STANDARDS REFERENCES

Lesson 1

CCSS LA 4/5 W 1.c

Link opinion and reasons using words, phrases, and clauses (e.g., consequently, specifically).

CCSS LA 6 W 1.e (Variance)

Provide a concluding statement or section that follows from the argument presented.

CCSS Math 5 NBT 5

Fluently multiply multi-digit whole numbers using the standard algorithm.

CCSS LA 4/5 W 2.b (Application Activity)

Develop a topic with facts, definitions, concrete details, quotations, or other information and examples related to the topic.

CCSS LA 4/5 SL 1.d (Extension Activity)

Review the key ideas expressed and draw conclusions in light of information and knowledge gained from the discussions.

CCSS LA 4/5 SL 4 (Extension Activity)

Report on a topic or text or present an opinion, sequencing ideas logically and using appropriate facts and relevant, descriptive details to support main ideas or themes; speak clearly at an understandable pace.

CCSS LA 5 RI 1 (Extension Activity)

Quote accurately from a text when explaining what the text says explicitly and when drawing inferences from the text.

Lesson 2

CCSS Math 5 NBT 5

Fluently multiply multi-digit whole numbers using the standard algorithm.

CCSS LA 4 L 3.a

Choose words and phrases to convey ideas precisely.

CCSS LA 5 L 3.a

Expand, combine, and reduce sentences for meaning, reader/listener interest, and style.

NCSS VII b. (Application Activity)
Distinguish between needs and wants.

CCSS Math 5 NBT 5 (Application Activity)
Fluently multiply multi-digit whole numbers using the standard algorithm.

CCSS LA 4 RI 3 (Extension Activity)
Explain events, procedures, ideas or concepts in a historical, scientific or technical text, including what happened and why, based on specific information in the text.

CCSS LA 5 RI 3 (Extension Activity)
Explain the relationships or interactions between two or more individuals, events, ideas, or concepts in a historical, scientific, or technical text based on specific information in the text.

CCSS LA 4/5 W 7 (Extension Activity)
Conduct short research projects that build knowledge through investigation of different aspects of a topic.

CCSS LA 4/5 RI 2 (Extension Activity)
Determine the main idea (two or more for grade 5) of a text and explain how it is supported by key details; summarize the text.

Lesson 3

CCSS LA 4/5 L 5
Demonstrate understanding of figurative language, word relationships, and nuances in word meanings.

- Interpret figurative language, including similes and metaphors, in context.
- Recognize and explain the meaning of common idioms, adages, and proverbs.

CCSS Math 5 NBT 5
Fluently multiply multi-digit whole numbers using the standard algorithm.

CCSS LA 4/5 L5 (Application Activity)
Demonstrate understanding of figurative language, word relationships, and nuances in word meanings.

CCSS LA 4/5 W 1 (Extension Activity)

Write opinion pieces on topics or texts, supporting a point of view with reasons and information.

CCSS LA 4/5 W 4 (Extension Activity)

Produce clear and coherent writing in which the development and organization are appropriate to task, purpose, and audience.

BUSINESS MANAGEMENT VOCABULARY

Lesson 1

Best practices

The “best ways” to do something to lead to success.

Criteria

The standards used to evaluate alternatives.

Operating costs

The total of all expenses needed to run a business.

Promissory note

A promise to repay a loan within a certain time period.

Quality business

A business that tries to meet its customers’ needs through continuous improvement.

Ranking

The process of putting things into a position on an ordinal scale in relation to other similar things.

Revenue

The amount of money earned from sales.

Salary

The money an employee earns for his or her work.

Lesson 2

Budget

A plan for saving, spending, and managing money.

Inventory

Goods that a business has in stock to sell.

Profit

The amount of money left after all business expenses have been paid.

Selling price

The amount of money a buyer pays and a seller receives for the purchase of a good or service.

Lesson 3**Advertising**

A way of persuading people to want goods or services.

Jingle

A catchy tune used to advertise a business or product.

Logo

A graphic mark or emblem used to promote a business or product.

Slogan

A short, memorable motto or phrase used in an advertising campaign.

