

Jay Starts a Business Teacher's Manual



Welcome to *Jay Starts a Business*! This curriculum is designed to provide lessons to share with fourth-sixth grade students to help them understand entrepreneurship and the economic decision-making entrepreneurs encounter. This manual includes lesson plans to accompany the work students will be doing with *Jay Starts a Business*. While many of the features in *Jay Starts a Business* are interactive, students should record their responses in the accompanying journal for future reference.

This curriculum includes six daily lessons, which allows more time to be spent with each topic. The lessons are sequenced for instruction and follow *Jay Starts a Business* from beginning to end. Lessons can also be easily adapted for a single day project.

Lesson Format

Each lesson includes:

- A lesson description
- A list of economic concepts taught in the lesson
- Learner objectives
- Standards addressed in each lesson
- Estimated time required
- Materials needed
- Detailed set of procedures
- Formative assessment

Lesson Content

Lesson 1: Getting Started—This lesson introduces students to Jay Eagle and what it means to be an entrepreneur. Students will also better understand how to make more thorough decisions through use of a decision-making grid. (page 6)

Lesson 2: Planning your Business—In this lesson, students will help Jay start a business and create a business plan. They will meet Olivia Owl who will help them get a loan to get their business off the ground by helping them determine what capital resources they need and what kind of marketing tactics they will use to promote their business. (page 11)

Lesson 3: Selecting Location and Resources —In this chapter, Penny Pigeon will help students determine the location of their business. Charlie Chickadee will help students shop for their capital resources at his store. Students will then justify their capital resource purchases, and begin to consider a price for their product. (page 14)

Lesson 4: Setting Prices—Rhoda Roadrunner will help students set their final selling price for their product. Students will gather opinions from classmates and consider profit before setting the price. (page 17)



Lesson 5: Designing Ad Campaigns—Percy Peacock will guide students through creating an advertising campaign to sell their product. (page 23)

Lesson 6: Grand Opening—This lesson will celebrate the grand opening of the students' businesses, and provides the teacher with the opportunity to discuss being an entrepreneur, risks, and important lessons learned from Jay. (page 29)

Lesson 7: Stories from an Entrepreneur—This lesson will feature a local entrepreneur sharing his/her story of starting a business. Students will have an opportunity to also ask questions that pertain to entrepreneurship. (page 32)

National Standards Correlation

Each lesson is correlated with the National Standards for Financial Literacy from the Council for Economic Education. The detailed standard is listed on each lesson.

National Standards for Financial Literacy from the Council for Economic Education						
	I	II	III	IV	V	VI
Lesson 1	X	X				X
Lesson 2	X	X		X		X
Lesson 3	X	X		X		X
Lesson 4	X	X				
Lesson 5	X	X		X		X
Lesson 6	X	X				
Lesson 7	X	X		X		X

Glossary of Terms

The glossary of terms includes an alphabetical list of economic terms used in the lessons, a definition of each term and a reference to the lesson(s) in which the term is used.

Appendix

The appendix of the curriculum includes:

- a multiple question pre-test and post-test with answer key,
- a completion certificate,
- a list of other resources from the Federal Reserve Bank of Kansas City,
- a list of references,
- a sample letter to invite a local entrepreneur to visit your classroom,
- alignment to state social studies standards across the 10th district including Common Core for ELA, and
- an evaluation survey.



FEDERAL RESERVE BANK of KANSAS CITY



Jay's Glossary of Economic and Personal Finance Words

Advertise: to announce and communicate information about a good or service so people will want to buy or use it.

Budget: a plan showing how income is to be spent.

Business plan: a detailed plan that lists information about a business and the costs involved. Details may include the business location, resources needed, and advertising necessary.

Capital resources: goods made and used to produce other goods and services.

Consumer: someone who buys and/or uses goods and services to satisfy wants.

Entrepreneur: someone who takes the risk of producing a good/service or starting a new business.

Opportunity cost: the next best choice that you give up.

PACED decision-making grid: a model that helps solve problems by evaluating choices to decide on a solution. The steps in the **PACED grid** include:

- stating the **PROBLEM**;
- listing **ALTERNATIVES** (choices to solve the problem);
- listing **CRITERIA** (ideas used to judge alternatives);
- **EVALUATING** alternatives (ranking choices from best to poorest); and
- making the final **DECISION** (the best choice to solve the problem).

Producer: someone who makes a good or service for sale to satisfy wants.

Profit: the income a business makes after it pays its production costs.

Target Audience: the intended group of people at which advertising is aimed.



Technology Tips and Troubleshooting

Jay Starts a Business is an interactive web application; it was developed and tested to work well in most modern internet browsers (Chrome, Safari, and Internet Explorer/Edge) running in Windows 7+ or MacOS 10 or newer.

The *Jay Starts a Business* web site does not use any browser plug-ins such as Flash or Java; however, your students' web browsers must have cookies and JavaScript enabled in order for the interactive portions to work correctly. All web and interactive content is optimized for HTML5, the latest standard.

When students access the activities online, two different web servers are used: one is hosted by the Kansas City Fed and delivers the interactive activities and framework for the application; the second streams video from our content-delivery network, Brightcove. These two sources of content are merged together for a seamless activity for your students. If your district blocks Brightcove CDN video content, the application will not be usable (we have found a higher pass-through acceptance of Brightcove video content than other video sites such as YouTube which are sometimes blocked by some school districts).

To ensure a smooth experience for your students watching the video lessons, a wired or fast-wireless internet connection is required. You may wish to contact your technical support department to make sure an adequate connection is available for this lesson. Running a speed test might help you assess your connection quality (sites such as speedtest.net are useful for measuring streaming capabilities).

Your download speed is a measure of how fast information is traveling from the internet to your school network; these speeds are measured in quantity over time, specifically in megabits per second (Mbps). A megabit is a million bits, and a bit is a very small piece of data. The higher the number, the speedier your internet activity should be. For example, if you have a download speed of 2 Mbps, a typical web page will load in about half a second and downloading a 5-minute song should take 20–30 seconds. If you have a download speed of 12 Mbps, that web page will load instantly and the same song will download in about a second. Here are some guidelines you may wish to use:

- 5+ Mbps – good for streaming music, but not video.
- 25+ Mbps – video will stream at an acceptable rate.
- 50+ Mbps – students at home would require this speed for video chat and gaming.
- 100+ Mbps – you should have flawless playback.

While streaming video, the Brightcove network adjusts its quality based on the download speed it detects. If your bandwidth suddenly drops, the video segment may briefly go dark or become “blurrier” and resume playback – this is a result of a lower streaming speed, and the automatic adjustment by Brightcove as it attempts to continue negotiating the available streaming quality.

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Lesson 1: Getting Started

Lesson Description

In this lesson, students learn what it means to be an entrepreneur, and what characteristics successful entrepreneurs have. They will take a quiz to find out what natural tendencies towards entrepreneurship they may have. They will also learn how to make better, more thought-out decisions by applying a real-life situation to a decision-making grid. These activities will help students understand the basics of entrepreneurship and decision-making.

Concepts

- Entrepreneur
- Decision-making
- Opportunity cost

Objectives

Students will:

- construct a definition for entrepreneur;
- describe characteristics of an entrepreneur;
- identify risks and rewards to entrepreneurship;
- define opportunity cost; and
- use the decision-making grid to make a decision about something facing them today.

National Standards for Financial Literacy

By the end of this lesson, students will know that:

Standard I: Earning Income

7. Entrepreneurs are people who start new businesses. Starting a business is risky for entrepreneurs because they do not know if their new businesses will be successful and earn a profit.

Standard II: Buying Goods and Services

5. Informed decision making requires comparing the costs and benefits of spending alternatives. Costs are things that a decision maker gives up; benefits are things that a decision-maker gains.

Standard VI: Protecting and Insuring

1. Risk is the chance of loss or harm.

Time Required

60 minutes

Materials

- Student Journals
- Writing utensils
- Computer (1 per child, although it can be done in pairs)
- Headphones



- Pictures for concept attainment activity

Procedures

1. (Concept Attainment Activity) Write "entrepreneur" on the chalkboard. Tell students that today they will be constructing a definition of this word from pictures you show them. Draw a t-chart on the board with the left side labeled "Entrepreneur" and the right side labeled "not an entrepreneur." Tell students you will show them pictures and will place them in the appropriate spot on the chart. (The pictures to be cut out are on page 9 of this manual)
 - a. Show students picture 1: Moziah Bridges. Tell students this is a picture of an entrepreneur. Place on the left side of the t-chart. Without providing any more information, tell students to study the picture for a moment and begin thinking about what an entrepreneur is.
 - b. Show students picture 2: weeding sugar beets. Tell students these people are "not entrepreneurs." Then place the picture on the right side of the t-chart. Tell students to study the pictures for a minute.
 - c. Ask students what they think an entrepreneur is based on those two pictures (*Answers will vary*). Look for similarities and differences between the pictures. Write down what they say on the board, even if it's wrong. Then explain how they will compare that definition to another set of examples.
 - d. Show students picture 3: kid with a lightbulb. Tell students this picture depicts a characteristic of an entrepreneur. Place on the left side of the t-chart.
 - e. Show students picture 4: "new hires." Tell students that this picture is "not an example of entrepreneur" and place on the right side of the t-chart.
 - f. Ask students if there is anything they would like to add or take away from their current definition of entrepreneur given these new pictures (*Answers will vary*). Record those changes on the board.
 - g. Show students picture 5: Chental-Song Bemby. Tell students this is an example of an entrepreneur. Place on the left side of the chart.
 - h. Show students picture 6: "workers on assembly line." Tell students this is not an example of entrepreneur.
 - i. Have students modify their definition again.
 - j. By now students should have a good working definition. If they need help fine-tuning, provide some assistance.
 - k. Now show students picture 7: "Employee of the month." Ask students to determine whether or not this picture shows an entrepreneur based on their definition. Explain why this is not an entrepreneur (*this award is typically given to someone who works for someone else*).
 - l. Repeat the process for picture 8: "girls at typewriters" and picture 9: "be your own boss."
 - m. Have students make final edits to their definition and keep it displayed on the board throughout their time with *Jay Starts a Business*.
2. Explain to students that over the next few days, they will become entrepreneurs via an app called *Jay Starts a Business*.
3. Hand out one journal to each student. Have students read the cover and write their names on the bottom of the cover. (The journal is also available in fillable PDF.)
4. Have students load *Jay Starts a Business* on their computers at JayStartsaBiz.kcfed.org. Make sure they are on page one of their journals.



5. Tell students that today, they will meet Jay Eagle and will learn about what it takes to be an entrepreneur. They will also learn how to make better decisions using a decision-making grid. Once they have completed the activity, they will answer the exit slip questions at the end of the journal for chapter 1, and will reconvene for a class discussion.
6. Let students begin the adventure by clicking on "Chapter 1". Remind them to follow along in their journal.
7. When students get to question 6 of chapter 1 in their journal, they may need help. Take the time to circulate the room and help students fill out the decision chart with a decision they are facing right now (examples may include: which club to join, which sport to play, what shoes to buy, what to make for dinner)
8. When students complete the exit slip questions in their journals, reconvene the class and lead students through the following debriefing questions:
 - a. During this lesson, Jay talked about what it takes to be an entrepreneur. What do you think it takes to be an entrepreneur? (*Answers will vary*)
 - b. What characteristics do you have that would make you a good entrepreneur? (*Answers will vary*)
 - c. How do you know those characteristics would make you a good entrepreneur? (*Answers will vary*)
 - d. Good entrepreneurs make informed decisions at every turn. What decision did Jay need to make today? What decision do you need to make today? What are your alternatives? What are your criteria? (*Answers will vary*)
 - e. How did this chart help you decide what you're going to do? (*Answers will vary*)
 - f. Look at your alternatives again. The next best choice after the one you already made is called your "opportunity cost." It is what you gave up to do something else. What was your opportunity cost in your example? (*Answers will vary*)
 - g. How is becoming an entrepreneur "risky?" (*sample responses: entrepreneurs do not know if they will be successful, they have to spend money they may not recoup*)
 - h. How can it be "beneficial?" (*sample responses: entrepreneurs could make a lot of money, working for yourself is beneficial because you can set your salary, hours, vacations, etc.*)
 - i. What role do you think competition plays in business? (*Answers will vary*)
9. Tell students they did a great job today! Review today's important concepts: entrepreneurship and its characteristics, decision-making, risks/rewards and opportunity costs. Tell them that tomorrow, they will pick back up with Jay and join him in deciding what business he should start.

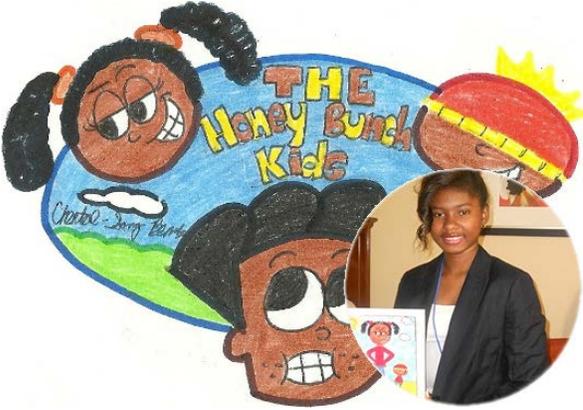
Formative Assessment

There are many formative assessments in this lesson. First, the student journal shows students' understanding of the decision-making grid as they apply it to a decision they are currently facing. Second, students will complete exit slips in their journal. Third, students will engage in a whole class debriefing session where the teacher will be asking a series of questions to gain greater understanding of student knowledge.





Pictures for Concept Attainment Activity

	Entrepreneurs	Not Entrepreneurs
Round 1	 <p>Picture 1: Moziah Bridges</p>	 <p>Picture 2: "Weeding Sugar Beets"</p>
Round 2	 <p>Picture 3: Kid with Lightbulb</p>	 <p>Picture 4: New Hires</p>
Round 3	 <p>Picture 5: Chantal-Song Bemby</p>	 <p>Picture 6: Workers on Assembly Line</p>

Round 4		 <p>Picture 7: Girls at Typewriters</p>
Round 5		 <p>Picture 8: Employee of the Month</p>
Round 6	 <p>Picture 9: Be Your Own Boss</p>	

Lesson 2: "Planning your Business"

Lesson Description

In this lesson, students will help Jay Eagle start a business by creating a business plan. They will use the decision-making grid to determine what kind of business to have. Students will then go with Jay to a bank where they will work with a banker to determine a budget and get a start-up loan for their business. Their budget will consider: rent costs, capital resources, and advertising options. These activities will help students better understand entrepreneurship.

Concepts

- Entrepreneur
- Decision-making
- Risk
- Budgeting
- Competition

Objectives

Students will:

- define capital resources, budget, risk;
- describe risks taken by entrepreneurs;
- list capital resources needed for business;
- prepare a budget; and
- use the decision-making grid to make a business decision.

National Standards for Financial Literacy

By the end of this lesson, students will know that:

Standard I: Earning Income

7. Entrepreneurs are people who start new businesses. Starting a business is risky for entrepreneurs because they do not know if their new businesses will be successful and earn a profit.

Standard II: Buying Goods and Services

5. Informed decision making requires comparing the costs and benefits of spending alternatives. Costs are things that a decision maker gives up; benefits are things that a decision maker gains.

6. People's spending choices are influenced by prices as well as many other factors, including advertising, the spending choices of others, and peer pressure.

7. Planning for spending can help people make informed choices. A budget is a plan for spending, saving, and managing income.

Standard IV: Using Credit

2. When people use credit, they receive something of value now and agree to repay the lender over time, or at some date in the future, with interest.

Standard VI: Protecting and Insuring

1. Risk is the chance of loss or harm.

7. Planning for spending can help people make informed choices. A budget is a plan for spending, saving, and managing income.

Time Required

60 minutes

Materials

- Journals
- Writing utensils
- Computer (1 per child, although it can be done in pairs)
- Headphones

Procedures

1. Briefly review concepts from the previous lesson: entrepreneurship (its definition and characteristics), decision-making, risk/reward, and opportunity cost.
2. Ask students to recall some of the risks and rewards of entrepreneurship discussed yesterday. (*Answers will vary—see answers from previous lesson*)
3. Tell students that today they will continue their adventure with Jay by choosing a business and creating a name for it before heading to the bank to get a loan/startup capital.
4. Ask students what a loan/start-up capital is (*money needed to start a business, money you borrow that you have to pay back*). Ask students why they may need money to start their business (*to buy the supplies they need, to pay rent before you make money, to pay yourself, etc.*). Ask students how a bank can afford to give businesses start-up capital (*Answers will vary*). Explain how when you pay back a loan, you have to do so with interest, which is a fee to borrow money. Use this chart to help you.

Loan Repayment Totals			
	Amt of loan (principal)	\$1,000	\$2,000
Interest rate	3%	\$1,030	\$2,060
	5%	\$1,050	\$2,100
	7%	\$1,070	\$2,140

5. Ask students what kinds of risks and rewards exist when taking out a loan (*you do not know whether or not you will make the money back, it is expensive, it could help you make money*). Point out that higher interest rates cause them to repay more. Also point out that they will pay more back when the amount of the loan (principal) is higher. Ask students what the opportunity costs are with taking out a loan (*what you do not get when you make another choice*).
6. Now ask students to consider why banks may charge different interest rates (*banks consider risks and rewards, too!*)
7. Remind students that today they will be going to the bank with Jay to get a loan to start their business. Guide the conversation to talking about how they need to purchase capital resources

(man-made supplies), place to rent/build, and advertising options. But today they will: determine what capital resources they may need, think about a business location, and consider how to get the word out about the business—all while staying on budget.

8. Ask students what a budget is (*a plan for how to spend money*). Tell them that means when they decide how much they will be spending on something, they cannot go over that total, even if something else comes up.
9. Have students open their journal to chapter 2 to continue the adventure.
10. (During this chapter, there is a time when students are instructed to find a classmate who shares their business type, and to collaborate on capital resources.)
11. Once students have completed the second chapter, reconvene for a class debriefing session. Ask students (*Answers will vary*):
 - a. Which business did you pick and why?
 - b. What kinds of risks do you anticipate you'll face with this business?
 - c. What capital resources did you purchase? How did you decide what to buy?
 - d. What is a budget? How did you decide on amounts for your business budget?
 - e. What is competition? What role does competition play in business?
 - f. How can you be more competitive in your business?
 - g. What do you think the next step is in creating your business? What other risks might you anticipate with those next steps?
12. Tell students their guesses were great. Reinforce/repeat correct answers. Tell students that tomorrow they will decide the location for their business. They will also purchase capital resources and begin thinking about setting a price for their product.

Formative Assessment

There are many formative assessments in this lesson. First, there is a review from the previous lesson at the beginning of the lesson. Second, the student journal shows student understanding of today's concepts. Third, students will engage in a whole class debriefing session where the teacher will be asking a series of questions to gain greater understanding of student knowledge.

Lesson 3: Selecting Location and Resources

Lesson Description

In this chapter, Penny Pigeon will help students determine the location of their business. Charlie Chickadee will help students shop for their capital resources at his store. Students will then justify their capital resource purchases, and begin to consider a price for their product.

Concepts

- Entrepreneur
- Decision-making
- Risk
- Budgeting
- Competition

Objectives

Students will:

- define capital resources, budget, and risk;
- justify capital resources needed for business;
- limit spending per a budget;
- explain risks and benefits of taking out loans and of spending; and
- explain how to minimize risk.

National Standards for Financial Literacy

By the end of this lesson, students will know that:

Standard I: Earning Income

6. People who own a business can earn a profit, which is a source of income.

7. Entrepreneurs are people who start new businesses. Starting a business is risky for entrepreneurs because they do not know if their new businesses will be successful and earn a profit.

Standard II: Buying Goods and Services

5. Informed decision making requires comparing the costs and benefits of spending alternatives. Costs are things that a decision maker gives up; benefits are things that a decision maker gains.

Standard IV: Using Credit

2. When people use credit, they receive something of value now and agree to repay the lender over time, or at some date in the future, with interest.

Standard VI: Protecting and Insuring

1. Risk is the chance of loss or harm.

3. Individuals can either choose to accept risk or take steps to protect themselves by avoiding or reducing risk.

Time Required

60 minutes

Materials

- Journals
- Writing utensils
- Computer (1 per child, although it can be done in pairs)
- Headphones

Procedures

1. Remind students that in the previous lesson in *Jay Starts a Business*, they decided what business they wanted to open, they named their businesses, and set a budget for the business in order to get a loan from Olivia Owl at the bank. Today, they will choose a rent location and purchase capital resources.
2. Ask students to recall the definition of capital resources (*Goods made and used to produce other goods and services*).
3. Direct students to look back at their budget from yesterday. Tell them to keep two things in mind when dealing with budgets and making purchases: first, when they go to spend money, they cannot go over the budgeted amount. Ask students why they think this is? (*you'll run out of money*) Second, just because the budget is set at a certain amount doesn't mean they have to spend the full amount. Ask students: why some entrepreneurs might not spend all the money they have budgeted to spend? (*they want to save money, limit risk, they don't have to pay back as much*)
4. Review the role of competition in business. Remind students that as they make business decisions today, not only should they keep their budget in mind, but they should also keep asking themselves how they can be more competitive in everything they do. Ask students: what role has competition played so far in *Jay Starts a Business* (*Answers will vary*)?
5. Have students turn to chapter 3 in their journal, and begin the adventure's third chapter.
6. Note to the teacher: During the adventure, circulate the room and look for:
 - a. the students' pictures of their business building. Make sure it reflects their choice of being in Raptor Valley or Cloud's Cliff. Ensure there is clear signage. Circulate the room and ask students to consider how to make their building more "competitive." What might draw people to their business over someone else's?
 - b. the students' pictures of their products. Remind them to design their product in such a way that makes it different than the competition.
7. Once students have completed the third chapter, bring them back together for a whole class debriefing. Remind them that yesterday they completed a business plan that included a budget. Today they took that budget, chose a rent location and capital resources. Ask them the following questions:
 - a. What kinds of risk did you take today on your path toward being an entrepreneur? (*Answers will vary but may include how they had to decide how much to spend on rent*)
 - b. Which rental location did you pick? How did you decide that? Did any of you pick the less expensive rental location even though you had budgeted more? Why or why not? (*Answers will vary*) Why might an entrepreneur choose the most expensive rental location, while another chooses the least expensive? (*Choosing a less-expensive one is one way to minimize risk.*)
 - c. Remind students that Olivia Owl at the bank gave them money to pay the rent for the first month. Ask students: how they expect to pay the rent the next month? How do

- entrepreneurs do this? (*with the profit, or money they make after expenses*) Explain how this is another example of risk.
- d. Who decided to open a bird bath store? (Students will raise hands). For those of you that didn't choose that one, what kind of capital resources do you think these entrepreneurs need for their business? Bird bath store owners: What capital resources do you think you need? (*Answers will vary*) Repeat this process for each store type: swings, treehouses, eyeglass frames.
 - e. Choosing your resources comes with risks, too. How can you minimize your risk concerning your resources? (*Choose less expensive supplies*) How might choosing less expensive supplies actually increase your risk? (*Might not be good quality, then people won't buy the product*)
 - f. How can you be more competitive? How will your business be competitive? What role has competition played in your decision-making so far? (*Answers may vary*)
 - g. Ask students to think of a small-business in their town. Ask students to name the business and list the types of capital resources needed for that business. Then ask (*Answers will vary*):
 - i. What risks did that business owner take?
 - ii. How can that business owner try to minimize his/her risk?
 - iii. What do they do to be competitive?
 - h. (Teacher note: reach out to a local entrepreneur and ask if he/she would be a guest speaker at the end of the week/adventure. A sample letter is included at the end of this teacher manual that can be used to extend an invitation to a local entrepreneur.)
 - i. Tell students it sounds like they are really understanding capital resources and risk-taking! Tell them that in the next part of the adventure, they will set the final selling price for their product while considering how to maximize profit so that their business makes money.

Formative Assessment

There are many formative assessments in this lesson. First, there is a review from the previous lesson at the beginning of the lesson. Second, the student journal shows student understanding of today's concepts. Third, students will engage in a whole class debriefing session where the teacher will be asking a series of questions to gain greater understanding of student knowledge.

Lesson 4: Setting Prices

Lesson Description

Rhoda Roadrunner will help students set their final selling price for their product. Students will gather opinions from classmates and consider profit before setting the price.

Concepts

- Price Setting
- Profits
- Competition
- Market Economy
- Supply and Demand

Objectives

Students will:

- set prices to maximize profits; and
- consider how to remain competitive as they set their prices.

National Standards for Financial Literacy

By the end of this lesson, students will know that:

Standard I: Earning Income

6. People who own a business can earn a profit, which is a source of income.
7. Entrepreneurs are people who start new businesses. Starting a business is risky for entrepreneurs because they do not know if their new businesses will be successful and earn a profit.

Standard II: Buying Goods and Services

5. Informed decision making requires comparing the costs and benefits of spending alternatives. Costs are things that a decision maker gives up; benefits are things that a decision maker gains.

Standard IV: Using credit

2. When people use credit, they receive something of value now and agree to repay the lender over time, or at some date in the future, with interest.

Standard VI: Protecting and Insuring

1. Risk is the chance of loss or harm.
3. Individuals can either choose to accept risk or take steps to protect themselves by avoiding or reducing risk.

Time Required

60 minutes

Materials

- Journals

- Writing utensils
- Computer (1 per child, although it can be done in pairs)
- Headphones
- Review Questions worksheet

Procedures

1. Tell students that the first part of this lesson begins with a review of some of the concepts they have learned so far.
2. Give students a copy of the Review Questions worksheet.
3. Allow students time to complete the worksheet on their own. If they struggle, put them in pairs or small groups.
4. Upon completion, review the questions and answers with students. When you get to the last question, segue into the next step: price setting.
5. Ask students to turn their paper over and answer the following questions silently.
 - a. Why it is important to choose a selling price very carefully? (*so you can make money, but still sell your product*)
 - b. What are the risks and benefits to pricing your product? (*you may price too low and cut into profit, you may price too high and no one will purchase it*)
6. Have students pair up and share their answers with peers before sharing out with the entire class.
7. Have students share their answers aloud. As they share, re-visit the concept of profit (*money they make after expenses*).
8. Tell students that today, they will visit Rhoda Roadrunner who will help them select the final selling price for their product.
9. Direct students to Chapter 4 of their journal and have them complete the first three questions. Once all students have done so, have them begin the adventure's fourth chapter.
10. Note to teacher: At some point, the journal will ask students to set a price and ask peers what they think about it before setting upon a price. Circulate the room and help students think more deeply about price setting as they consider comments from their classmates.
11. Once students complete today's adventure, reconvene the class to debrief. Ask students the following questions (*Answers will vary*):
 - a. How did you determine your price point?
 - b. How did peer feedback impact the price?
 - c. What role did competition play in setting your price for your product?
12. Explain to students that they were able to set their own prices because they live in a market economy, which is an economy where prices are determined mainly by supply and demand, rather than being regulated by the government. Supply is the amount that producers are able and willing to produce and sell at all possible prices at a given time. Demand is the amount that consumers are able and willing to buy at all possible prices at a given time. Ask students if they can think of a time when demand exceeded supply for something (*Students may mention toys around Christmas time*) asked students if they know what happened to the prices of the item once the demand exceeded the supply. Ask students how supply and demand will impact their prices when they open their business.
13. Tell students that now that they have chosen the product, the name of the business, the location and the price, then, they will make decisions about how to advertise the product to reach a specific target audience.

Formative Assessment

There are many formative assessments in this lesson. First, there is a review from the previous lesson at the beginning of the lesson. Second, students will complete a worksheet of review questions. Third, the student journal shows student understanding of today's concepts. Fourth, students will engage in a whole class debriefing session where the teacher will be asking a series of questions to gain greater understanding of student knowledge.

Name: _____ Class _____ Date: _____

Review Questions

Directions: Answer the questions below as thoroughly as possible.

1. What is an entrepreneur?

2. What are two characteristics of an entrepreneur?
 - a. _____
 - b. _____
3. Why is it important to consider many alternatives before making a decision? _____

4. What is opportunity cost? _____
5. What is a budget? _____
6. Why should entrepreneurs have a budget? _____

7. Why should entrepreneurs carefully consider the location for their business?

8. What are some risks and rewards to entrepreneurship? _____

9. How can entrepreneurs minimize their risks? _____

10. What role does competition play in opening a business? _____

11. What do you think the next step towards opening our business is? _____

a. Why it is important to choose a selling price very carefully?

b. What are the risks and benefits to pricing your product?

Name: _____ Class _____ Date: _____

Review Questions--Key

Directions: Answer the questions below as thoroughly as possible.

1. What is an entrepreneur?
An entrepreneur is someone who takes the risk of producing a good/service or starting a new business
2. What are two characteristics of an entrepreneur? (Answers will vary)
 - a. Willing to take risks _____
 - b. Money Manager _____
3. Why is it important to consider many alternatives before making a decision? It is important to know what all of your options are so you can make the best choice.
4. What is opportunity cost? What you give up in order to have something else
5. What is a budget? A plan for spending money
6. Why should entrepreneurs have a budget? So they don't overspend and have enough money to do what they need to do. They don't want to take on too much risk.
7. Why should entrepreneurs carefully consider the location for their business? You want to be where customers can get to you. But you don't want your rent to be so high you can't pay it.
8. What are some risks and rewards to entrepreneurship? Risks: You may not make money, you may not be able to pay your bills, you may not be able to stay open and have to go work for someone else. Rewards: Working for yourself, setting your own hours, making as much of money as you can. (Answers will vary)
9. How can entrepreneurs minimize their risks? Don't overspend. Try to price your product well so you make a profit. Use less expensive capital resources, but still good quality so that your profit is higher. Choose a location that has lower rent. Stick to a budget.
10. What role does competition play in opening a business? You have to make something that is different from everyone else so people will buy your product. You have to price it so that people will buy yours instead of something from somewhere else.
11. What do you think the next step towards opening our business is? (Answers will vary)

- a. Why it is important to choose a selling price very carefully?

You want to be competitive and get people to buy your product, but you also want to make as much money as you can. You need to be able to pay your bills and hopefully start to make some money for yourself.

- b. What are the risks and benefits to pricing your product?

Risk: People might not buy your product if it's not priced well. You may not make any money. You may not be able to pay your bills. You may have to close your business. You may not be able to keep up with demand if you sell too much too fast.

Benefit: You can make a lot of money. Then you can pay your bills. You can work for yourself doing something you love.

Lesson 5: Designing Ad Campaigns

Lesson Description

Percy Peacock will guide students through creating an advertising campaign to sell their product. Students will do a comparative analysis of different types of advertising campaigns to help them decide which ones to use for their own business. Students will then present their ads to the class.

Concepts

- Advertising
- Audience
- Competition
- Risk, reward

Objectives

Students will:

- analyze various advertisements; and
- create an ad campaign targeting a specific audience

National Standards for Financial Literacy

By the end of this lesson, students will know that:

Standard I: Earning Income

7. Entrepreneurs are people who start new businesses. Starting a business is risky for entrepreneurs because they do not know if their new businesses will be successful and earn a profit.

Standard II: Buying Goods and Services

5. Informed decision making requires comparing the costs and benefits of spending alternatives. Costs are things that a decision maker gives up; benefits are things that a decision maker gains.

6. People's spending choices are influenced by prices as well as many other factors, including advertising, the spending choices of others, and peer pressure.

Standard VI: Protecting and Insuring

1. Risk is the chance of loss or harm.

3. Individuals can either choose to accept risk or take steps to protect themselves by avoiding or reducing risk.

Time Required

60 minutes

Materials

- Journals
- Writing utensils
- Computer (1 per child, although it can be done in pairs)
- Headphones

- Colored pencils/markers/crayons
- Internet/projector
- Advertising comparison worksheet
- Four different types of advertisements from a single company that would be familiar to students

Procedures

1. Review with students what they've done so far in starting a business. Tell students that today Percy Peacock will help them design an advertising campaign to sell their product to a specific audience.
2. Ask students what an ad is, and what the purpose of it is? (*Answers will vary*)
3. Have students turn to Chapter 5 in their journal.
4. Have students begin the adventure's fifth chapter.
5. When students have completed the computer portion of the activity, but before beginning the advertising campaign on pg. 15 of the student journal, reconvene as a class.
6. Ask students what they think are important things to have in an advertisement of any kind (be sure to mention "slogan/jingle").
7. Give students the advertising comparison worksheet and read the directions together. Tell students they will be shown four different types of ads for the same company (The teacher decides which company to consider. Options include but are not limited to: McDonald's, Nike, Star Wars Movie. Choose whatever would appeal most to your students.)
8. Show the students the first ad. Model with students how to fill out the chart for the first ad.
9. Show students the second ad. Give them time to observe and analyze the ad, and then fill out the chart accordingly. Have students share out their responses.
10. Show students the third ad. Give them time to analyze and fill out the chart. Repeat this process for the fourth type.
11. Once all ad types have been examined, have students answer the questions on the back side of the chart.
12. Have students share their answers to those questions with the class.
13. Ask students what they think makes an ad effective? (*Answers will vary—prod them towards ads that are memorable*)
14. Tell students to be thinking about what might be the best way to advertise for their product.
15. Have students turn to the "Ad Campaign Rubric" on page 15 of their journals. Read through the directions together. Then have students design their ad. If they choose a radio broadcast, they should include the text in the box provided. If they choose a newspaper ad, they should include a picture of the ad with appropriate text. If they choose a video, students should provide the text and stills from the video (they may want to divide the box in half vertically and put the text on the left with corresponding pictures on the right).
16. Give students time to work on their ads. Remind them that they are in competition for businesses with other like businesses. What will make theirs memorable and will help them get the highest amount of sales?
17. Circulate the room and help students as needed. Remind them to refer to the rubric to ensure all elements are present.
18. Upon completion, reconvene the class and ask students:
 - a. What is the role of advertising in business?
 - b. How did the existence of competition impact your advertising decisions?
19. Tell students the next session is Grand Opening Day! Tomorrow they will share their ads with the class, and open their doors for business.

Formative Assessment

There are many formative assessments in this lesson. First, there is a review from the previous lesson at the beginning of the lesson. Second, the student journal shows student understanding of today's concepts. Third, students will complete an advertising comparison worksheet. Fourth, students will design an ad for their own business. Fifth, students will engage in a whole class debriefing session where the teacher will be asking a series of questions to gain greater understanding of student knowledge.

Advertising Comparison Worksheet

Directions: Today we will look at four different types of advertisements for one company to give you some ideas of what you can do with your own advertisement. For each ad, fill out the corresponding boxes below.

Company whose advertising will be examined: _____

Type of Ad	What's the good or service ?	Target audience? How do you know?	What is the jingle or slogan?	What do you like about the ad?	What did you dislike about the ad?	How would you improve the ad?
Television						
Newspaper						
Social Media						
Radio						



Were any of the ads convincing? Why or why not?

What are risks and rewards to advertising for your business?

Risk:

Reward:

What kind of ad do you want to make and why?

Ad Campaign Rubric

Directions: You will create an ad campaign to convince people to buy your product. You may choose any method of advertising that you would like. It could be a radio commercial, TV commercial, Facebook ad, newspaper ad, Twitter ad, or some other kind of your choosing. You will design/record your ad campaign in the box on the next page. This should include text and/or pictures depending on your ad type. No matter what method you choose, your ad must have the following items:

	3	2	1
Need for product	Clearly and thoroughly explains the audience's need for the product.	Somewhat explains the audience's need for the product.	Begins to explain the audience's need for the product.
Details of the product	Clearly and thoroughly describes all details of the product including price, location, and other important details.	Somewhat describes all details of the product including price, location, and other important details.	Begins to describe all details of the product including price, location, and other important details.
Persuasiveness	The message strongly convinces people to get the product. The message targets a specific audience and the message is clearly tailored to that audience.	The message somewhat convinces people to get the product. The message targets an audience, although it's somewhat unclear as to who that audience is.	The message begins to convince people to get the product. The intended audience is unclear.
Jingle/slogan	Slogan or jingle is catchy/easy to remember and clearly explains the product in few words.	Slogan or jingle is catchy/easy to remember and somewhat explains the product in few words.	Slogan or jingle is catchy/easy to remember and begins to explain the product in few words.
Organization	Message of the ad is well-organized and flows well. The ad stays on topic throughout. The details are appropriate and add to the overall message.	Message of the ad is somewhat clear and organized. The ad largely stays on topic. Most details are appropriate and add to the overall message.	Message of the ad is still being developed. Could benefit from more organization. The ad largely stays on topic. Some details are appropriate and add to the overall message.

Lesson 6: Grand Opening

Lesson Description

This lesson will celebrate the Grand Opening of the students' businesses, and provides the teacher with the opportunity to discuss being an entrepreneur, risks, and important lessons learned from *Jay Starts a Business*.

Concepts

- Consumer
- Producer
- Competition
- Price
- Profit

Objectives

Students will:

- define consumer, producer; and
- act as consumers by deciding which goods to purchase.

National Standards for Financial Literacy

By the end of this lesson, students will know that:

Standard I: Earning Income

6. People who own a business can earn a profit, which is a source of income.
7. Entrepreneurs are people who start new businesses. Starting a business is risky for entrepreneurs because they do not know if their new businesses will be successful and earn a profit.

Standard II: Buying Goods and Services

5. Informed decision making requires comparing the costs and benefits of spending alternatives. Costs are things that a decision maker gives up; benefits are things that a decision maker gains.
6. People's spending choices are influenced by prices as well as many other factors, including advertising, the spending choices of others, and peer pressure.
7. Planning for spending can help people make informed choices. A budget is a plan for spending, saving, and managing income.

Standard IV: Using credit

2. When people use credit, they receive something of value now and agree to repay the lender over time, or at some date in the future, with interest.

Standard VI: Protecting and Insuring

1. Risk is the chance of loss or harm.

3. Individuals can either choose to accept risk or take steps to protect themselves by avoiding or reducing risk.

Time Required

60 minutes

Materials

- Journals
- Writing utensils
- Completion certificates
- Fake money to purchase products
- Envelopes/container to hold money (1 per business)
- List of buyers
- Display tables/student desks
- Sunflower Seeds

Procedures

1. Tell students that today is grand opening day! Today they will showcase their product and will buy the product of their choice. But first, let's see what Jay has to say.
2. Have students turn to Chapter 6 of *Jay Starts a Business* in their journal.
3. Watch the sixth chapter of the online app together as a class.
4. Tell students that now they will be given the opportunity to showcase their products.
5. Have students set up a display table for their business. They should display the picture of the product, the ad campaign, and the selling price.
6. Tell students that in a moment, they will be acting as consumers and producers. Consumers are people who buy and/or use goods and services to satisfy wants. Producers are people who create those goods or services to satisfy wants. Tell students they will be given money they must use to purchase at least one product from at least one business in class. Whichever business makes the most amount of money wins! Tell students to be thinking about how to lure customers to their store.
7. When students are ready, have them give a brief overview of their product to the entire class. They may wish to share their ad campaign in hopes to sell as much of their product as possible.
8. Give students a few minutes to consider how they will try to make the most money.
9. Hand each student \$75 (\$50 in tens and \$25 in fives). When all students have their money, tell them to travel around the classroom and look at the products offered. Once they find a product they like, have each student spend his/her money on the product of his/her choice by placing the money in the envelope/container and writing his/her names on the list at the business's table. The teacher should circulate the room to answer questions and ensure students aren't taking money from others.

10. Note to teacher: Encourage students to be creative and use any tactic that might help their business (*having sales, doing a bundle with another store, etc.*).
11. Once students have finished making their purchases, have the business owners count their money.
12. Direct students to then turn to chapter six in the journal and answer the last three questions. (They will share their answers in a few minutes.)
13. When students have answered the questions in their journal, reconvene for a whole class discussion.
14. Hand out sunflower seeds as a congratulatory snack to all students for completing the adventure.
15. Remind students that today they acted as a consumer and a producer. They consumed something by purchasing it, and they also produced a good and sold it to consumers. Now, let's see who made the most money.
16. Ask each business how much it made, and determine who earned the most money. Ask the person with the most what s/he thinks it was about their product, pricing or advertising that made it so successful. Ask which students purchased that product and why. If students didn't purchase that product, which ones did they purchase and why. What are things other businesses could do to get your business in the future?
17. Ask students, as a business owner, how they can become more competitive? What are two ways you can increase your profit margin? What are some things you could do with the money you earn? What would be the next step in your business? How did supply and demand impact your prices?
18. Ask students to share their answers to the three questions from chapter six in their journals:
 - a. What was the hardest part about opening your business?
 - b. What would you do differently next time?
 - c. What was the most important lesson you learned about starting a business?
19. Tell students that they will get to meet a real-life entrepreneur from their community. Given what students have learned about entrepreneurship, have them brainstorm questions as a class to ask the guest. Refer back to the student journal to come up with ideas of questions to ask. Sample questions may include: How did you come up with the idea for your business? How did you decide on the location for your business? How does competition affect your business? What role does supply and demand play in your business?
20. Share the questions with the entrepreneur who agrees to come and speak to your class.
21. Congratulate students for completing the adventure. Commemorate their participation by giving each student a completion certificate.

Formative Assessment

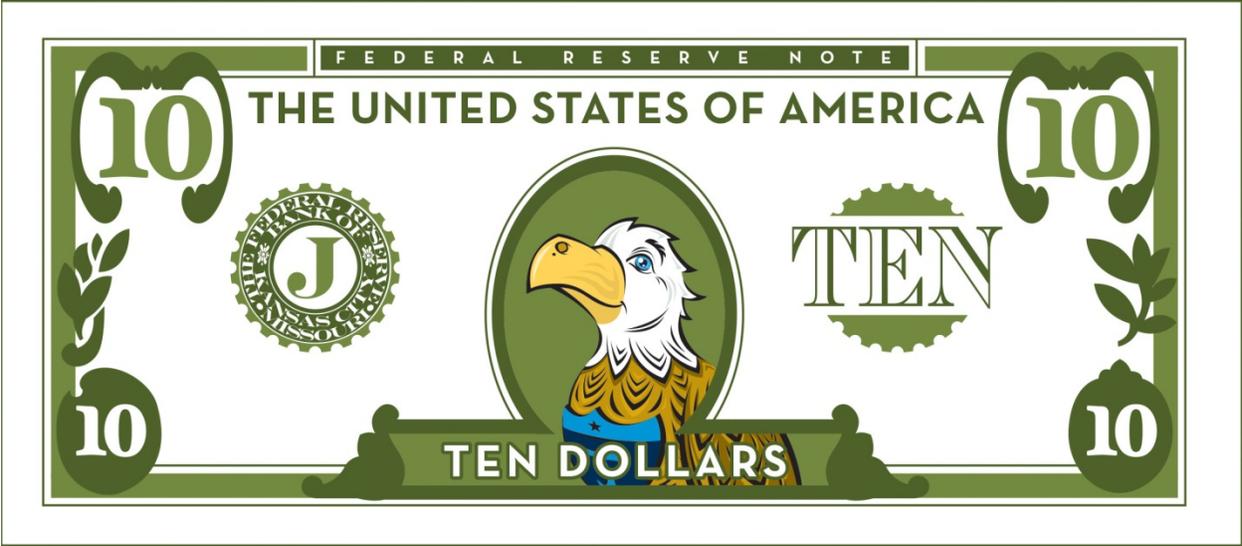
There are many formative assessments in this lesson. First, students will showcase their businesses by sharing their advertisements with the class. Second, students will act as consumers as they make their purchases. Third, the student journal shows student understanding of today's concepts. Fourth, students will engage in a whole class debriefing session where the teacher will be asking a series of questions to gain greater understanding of student knowledge. Fifth, students will prepare questions to ask a local entrepreneur who will visit their class.





Ten dollar bills for the purchase of a good





Five dollar bills for the purchase of a good



Lesson 7: Stories from an Entrepreneur

Lesson Description

This lesson will feature a local entrepreneur sharing his/her story of starting a business with the class. Students will have an opportunity to also ask questions that pertain to entrepreneurship.

Concepts

- Consumer
- Producer
- Competition
- Price
- Profit
- Business plan
- Budget
- Advertising

Objectives

Students will:

- apply what they have learned about entrepreneurship by asking questions related to starting a business to the local business owner.

National Standards for Financial Literacy

By the end of this lesson, students will know that:

Standard I: Earning Income

6. People who own a business can earn a profit, which is a source of income.
7. Entrepreneurs are people who start new businesses. Starting a business is risky for entrepreneurs because they do not know if their new businesses will be successful and earn a profit.

Standard II: Buying Goods and Services

5. Informed decision making requires comparing the costs and benefits of spending alternatives. Costs are things that a decision maker gives up; benefits are things that a decision maker gains.
6. People's spending choices are influenced by prices as well as many other factors, including advertising, the spending choices of others, and peer pressure.
7. Planning for spending can help people make informed choices. A budget is a plan for spending, saving, and managing income.

Standard IV: Using Credit

2. When people use credit, they receive something of value now and agree to repay the lender over time, or at some date in the future, with interest.

Standard VI: Protecting and Insuring

1. Risk is the chance of loss or harm.
3. Individuals can either choose to accept risk or take steps to protect themselves by avoiding or reducing risk.

Time Required

60 minutes

Materials

- Guest entrepreneur
- Thank you note

Procedures

1. Introduce the entrepreneur to the class. Tell him/her about what students have learned about entrepreneurship over the past few days. Have the visitor tell students about his/her business, but only briefly as some of the students' questions are likely to get at the finer details.
2. Have students ask some of the questions they came up with. Have the list handy in case students forget what they said.
3. Invite the entrepreneur to incorporate some questions back to students during the discussion.
4. Thank the guest for coming in to talk to the class today, and hand him/her a thank you note from the class. Be sure to take a group picture and post it in your classroom.
5. Ask the students to revisit their conceptual definition of "entrepreneur" from the very beginning. Ask if they still think that is an adequate definition. What might they want to add or omit from that definition? (*They may add something about taking a risk*)
6. Share the Federal Reserve Bank's definition of entrepreneur (someone who takes the risk of producing a product or starting a new business). Ask students to compare the definitions and finalize their own based on what they have learned.

Debriefing Questions

1. Ask students the following debriefing questions as a whole class:
 - How was your experience with Jay similar and different to the experience of our guest entrepreneur?
 - What are some risks and rewards to opening a business?
 - Do you have any interest in starting a business as a result of this activity? Why or why not?

Formative Assessment

There are many formative assessments in this lesson. First, students will ask questions and engage in conversation with the guest entrepreneur. Second, students will engage in a whole class debriefing session where the teacher will be asking a series of questions to gain greater understanding of student knowledge.

Appendix

The appendix of the curriculum includes:

- a multiple question pre-test and post-test,
- answer key,
- a completion certificate,
- a list of other resources from the Federal Reserve Bank of Kansas City,
- a list of references,
- a sample letter to invite a local entrepreneur to visit your classroom, and
- an evaluation survey.

Name: _____ Date: _____ Class _____

Pre/Post Test about Entrepreneurship

Directions: Read each statement and indicate the correct answer by writing the letter on the line provided.

- _____ 1. People who work for someone else are called...
- a. entrepreneurs.
 - b. employees.
 - c. aptitude.
 - d. students.
- _____ 2. People who own, operate, and take the risk to open a business are called...
- a. entrepreneurs.
 - b. employees
 - c. aptitude.
 - d. students.
- _____ 3. Entrepreneurs...
- a. take risks.
 - b. run away from risks.
 - c. are unaware of risks.
 - d. none of the above.
- _____ 4. What is opportunity cost?
- a. going with your first option
 - b. going with the easiest option
 - c. the price of a good or service
 - d. the option you did not take
- _____ 5. Good made or used to produce other goods or services are called....
- a. Human resources
 - b. natural resources
 - c. capital resources
 - d. renewable resources
- _____ 6. A plan for spending, saving and managing income is called...
- a. price.
 - b. profit.
 - c. risk.
 - d. budget.
- _____ 7. A formal statement of business goals, and the plan to reach them is called...
- a. start-up capital
 - b. business plan
 - c. expense report
 - d. budget
- _____ 8. Profit is the amount of money...
- a. the amount of debt you have.
 - b. something costs.
 - c. you make after paying all expenses.
 - d. you plan on spending on something.
- _____ 9. Money that is needed to begin your business is called...
- a. human capital.
 - b. social capital.
 - c. natural capital.
 - d. start-up capital.
- _____ 10. Price is the amount of money...
- a. the amount of debt you have.
 - b. something costs.
 - c. you make after paying all expenses.
 - d. you plan on spending on something.

Name: _____ Date: _____ Class _____

Pre/Post Test about Entrepreneurship--KEY

Directions: Read each statement and indicate the correct answer by writing the letter on the line provided.

- B 1. People who work for someone else are called...
- a. entrepreneurs.
 - b. employees.
 - c. aptitude.
 - d. students.
- A 2. People who own, operate, and take the risk to open a business are called...
- a. entrepreneurs.
 - b. employees
 - c. aptitude.
 - d. students.
- A 3. Entrepreneurs...
- a. take risks.
 - b. run away from risks.
 - c. are unaware of risks.
 - d. none of the above.
- D 4. What is opportunity cost?
- a. going with your first option
 - b. going with the easiest option
 - c. the price of a good or service
 - d. the option you did not take
- C 5. Good made or used to produce other goods or services are called....
- a. Human resources
 - b. natural resources
 - c. capital resources
 - d. renewable resources
- D 6. A plan for spending, saving and managing income is called...
- a. price.
 - b. profit.
 - c. risk.
 - d. budget.
- B 7. A formal statement of business goals, and the plan to reach them is called...
- a. start-up capital
 - b. business plan
 - c. expense report
 - d. budget
- C 8. Profit is the amount of money...
- a. the amount of debt you have.
 - b. something costs.
 - c. you make after paying all expenses.
 - d. you plan on spending on something.
- D 9. Money that is needed to begin your business is called...
- a. human capital.
 - b. social capital.
 - c. natural capital.
 - d. start-up capital.
- B 10. Price is the amount of money...
- a. the amount of debt you have.
 - b. something costs.
 - c. you make after paying all expenses.
 - d. you plan on spending on something.

Congratulations!

THIS AWARD IS PRESENTED TO:

_____ and Jay Eagle,

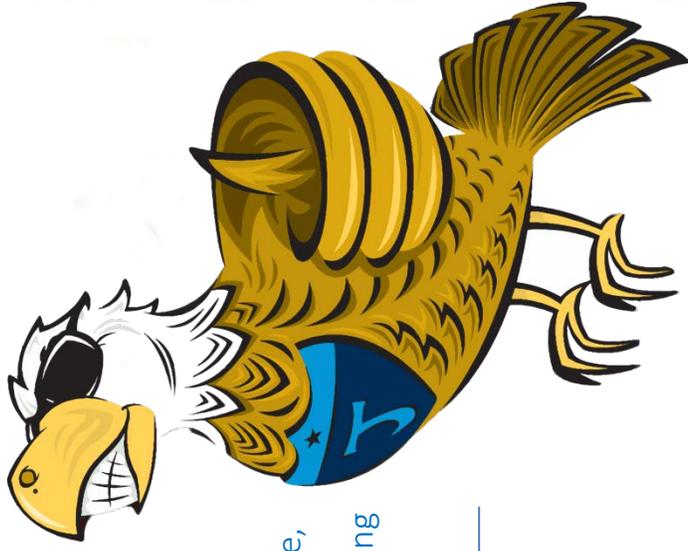
Business partners who took the risk to become entrepreneurs by creating

(name of business)

which was established on

Teacher Signature: _____

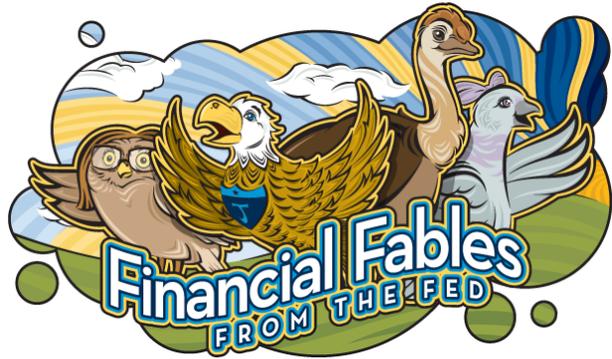
Date: _____



If you enjoyed Jay Starts a Business, you may also like

Financial Fables

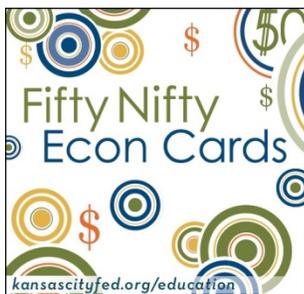
Financial Fables are entertaining stories that combine reading, economics and personal finance into life lessons that feature "money morals." Through quick, interactive online tales, students can learn useful financial management skills that will better prepare them for the future. Created for students ranging from preschool to fifth grade, Financial Fables teach students about savings, money management, and how to set short- and long-term financial goals. Each fable is designed around the concept that it's never too early to start learning about financial responsibility.



In this lesson, students listen to the story of Ruby and Max, two bunnies that go shopping and make spending decisions. They are introduced to short-term and long-term savings goals to help them save for the goods they want in the future. After a goal-sorting activity, students choose and illustrate their own savings goal.

Sweet Potato Pie

This lesson highlights the resources needed for a business and key information entrepreneurs should consider before starting a business. Through the story and activities, students will learn about division of labor and identify risks and rewards entrepreneurs may face when starting a business.



Fifty Nifty Econ Cards

Fifty Nifty Econ Cards are designed for elementary and middle school students to assist them in developing a knowledge base of economic and personal finance words. The accompanying Teacher Resource Guide provides activities and games to help teachers incorporate economic vocabulary into the school day through language, math, social studies and art.

You can find all of these and more at
www.kansascityfed.org/education

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Sample Letter to Invite a Local Entrepreneur to Visit Your Classroom

Local Entrepreneur
1 Innovation Avenue
Creation Station, Missouri 54321

Tuesday, December 20, 2016

Truman Elementary School
1945 Liberty Way
Independence, Missouri 12345

Dear Local Entrepreneur:

Greetings from Smith Elementary School in Independence, Missouri! My name is Tina Ellsworth, and I am a 4th grade teacher at Smith. Our students are currently learning about entrepreneurship and the basics to starting a business utilizing an app from the Federal Reserve Bank of Kansas City called *Jay Starts a Business* (JayStartsaBiz.kcfed.org). My class would like to invite you to come and share your experience about entrepreneurship on Tuesday, January 2, 2017.

Our students have learned about entrepreneurship, business plan, budgeting, start-up capital, capital resources, advertising, price setting, consumers, and producers. They would like to hear your story of entrepreneurship and ask you questions about that experience. Our class period is 45 minutes long and begins at 9am.

We would love to have you visit our classroom if it works with your schedule. Please feel free to either call me at (555) 555-5555 or email me with questions or comments, or to confirm you can come.

Sincerely,

Tina M. Ellsworth
4th Grade Teacher
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(555) 555-5555

State Standards Alignment Across the 10th District

COLORADO

Colorado Social Studies Standards Standard: 3. Economics	
Prepare Graduates: Acquire knowledge and economic reasoning skills to make sound financial decisions (PFL)	
Grade Level Expectation: Fourth Grade	
Concepts and skills students master: 2. The relationship between choice and opportunity cost (PFL)	
Evidence Outcomes	21st Century Skills and Readiness Competencies
Students can: <ol style="list-style-type: none"> Define choice and opportunity cost (DOK 1) Analyze different choices and their opportunity costs (DOK 2-3) Give examples of the opportunity costs for individual decisions (DOK 1-2) Identify risks that individuals face (PFL) (DOK 1-2) Analyze methods of limiting financial risk (PFL) (DOK 2-3) 	Inquiry Questions: <ol style="list-style-type: none"> What different ways does an individual have to get information when making a decision? How do you know when you've made a good decision? How do you know when you've made a bad decision?
	Relevance and Application: <ol style="list-style-type: none"> Knowledge of the relationship between choice and opportunity cost leads to good decision-making. For example, a business may have an opportunity to purchase inexpensive land, but the cost may be in the travel time. Decisions are made daily regarding risks such as riding a bike, skiing, riding in a car, and spending all of an allowance immediately rather than saving. Businesses make choices about risk. For example, a company locates in a country that has an unstable government or extends credit to individuals.
	Nature of Economics: <ol style="list-style-type: none"> Economic thinkers analyze opportunity costs associated with making decisions. Economic thinkers analyze data to forecast possible outcomes. Financially responsible individuals understand and categorize the components of risk. Financially responsible individuals mitigate and analyze potential risk.

KANSAS

Kansas Standards for History, Government and Social Studies	
Standard 1: Choices have consequences.	
1.1	The student will recognize and evaluate significant choices made by individuals, communities, states, and nations that have impacted our lives and futures.
1.2	The student will analyze the context under which choices are made and draw conclusions about the motivations and goals of the decision-makers.
1.3	The student will investigate examples of causes and consequences of particular choices and connect those choices with contemporary issues.
1.4	The student will use his/her understanding of choices and consequences to construct a decision-making process and to justify a decision.
<p>Economic (E): Given the work in <i>Jay Starts a Business</i>, students will satisfy the following elements from the state's description on a unit on economics in <u>3rd grade</u>.</p> <p>In this unit, students will recognize that limited resources require people to make choices to satisfy their wants for goods and services. Students will examine how a market economy works in their community through buyers and sellers exchanging goods and services. They will understand that when borrowing money the consumer is receiving credit that must be repaid. They will consider how people's wants and needs are met through spending and saving decisions. Students will explore the consequences of borrowing and lending.</p>	
Ideas	Goods, services, borrowing, lending, credit, spending, saving, wants, needs, costs, opportunity costs.
People/Roles	Consumer, producer, spender, saver, lender
Places/Institutions	Community, local business
Events	Production and consumption of goods and services
Skills	Evaluate the personal benefits of saving and spending, borrowing and lending Determine opportunity cost Solve problems and justify the decision
<p>Economic (E): Given the work in <i>Jay Starts a Business</i>, students will satisfy the following elements from the state's description on a unit on economics in <u>4rd grade</u>.</p> <p>In this unit, students will recognize that limited resources require choices. They will analyze the concepts of opportunity cost and cost-benefit. Students will examine how capital resources are used in the production of goods and services. They will analyze the roles of consumer, producer, saver, and entrepreneur.</p>	
Ideas	Supply and demand, opportunity cost, choices, resources
People/Roles	Consumer, producer, saver, entrepreneur
Places/Institutions	Kansas
Events	Production of goods and services
Skills	Define characteristics of a market economy (competition) Define: goods, services, consumers, economy, cost/benefit

MISSOURI

Missouri Learning Standards For Teaching Economics—Grades 3-5				
Economics	Knowledge of basic economic concepts			
	3rd	3.E.4.A.3.b	Define natural , capital and human resources .	SS4, G4.1
		3.E.4.A.3.c	Define economy .	SS4, G4.1
		3.E.4.A.3.d	Explain supply and demand.	SS4, G4.1
	4th	4.E.4.A.b	Explain the relationship of profit and loss in economic decisions.	SS4, G4.1
	5th	5.E.4.A	Explain how scarcity, supply and demand, opportunity costs, income, labor, wages and other economic concepts affect our nation's past, present and future.	SS4, G4.1
	Understanding the consequences of economic decisions			
	3 rd -4th	3.E.4.B.3 4.E.4.B	Conduct a personal cost-benefit analysis .	SS4, G1

Missouri Learning Standards Tools of Social Studies Inquiry—Grades 3-5				
Tools of Social Studies Inquiry	Use visual tools to communicate information and ideas.			
	3rd	3.TS.7.B	With guidance and support, use visual tools and informational texts to interpret, draw conclusions, make predictions, and communicate information and ideas.	SS7, G1.5
	4th	4.TS.7.B.a	Use visual tools and informational texts to interpret, draw conclusions, make predictions, and communicate information and ideas with guidance and support, as needed .	SS7, G1.5
		4.TS.7.B.b	Create products such as maps, graphs, timelines, charts, models, diagrams, etc. to communicate information and understanding.	SS7, G2.5
	5th	5.TS.7.B.a	Use visual tools to interpret, draw conclusions, make predictions, and communicate information and ideas (such as maps, graphs, statistical data, timelines, cartoons, charts and diagrams).	SS7, G1.5
		5.TS.7.B.b	Create and present products such as maps, graphs, timelines, charts, models, diagrams, etc. to communicate information and understanding on social studies topics.	SS7, G2.5



**Glossary of Terms
Elementary Social Studies Grade-Level Expectations 2016**

This Glossary of Terms provides definitions and elaborations for terms used in or useful for teaching the Elementary Social Studies Grade-Level Expectations. These definitions are derived from the Missouri Department of Elementary and Secondary Education Glossary (October 2008) and other sources that are annotated in the definition.

Capital Resources	Often called capital goods, refers to goods used to produce other goods and services. Capital resources may be buildings, equipment, machinery, tools, ports, and dams, provided that those items are used to produce other goods and services
Consumers	People who buy goods and services.
Cost-Benefits Analysis	An appraisal of whether the benefits of carrying out a project or decision outweigh the costs of carrying out the project or decision.
Economy	The process or system by which goods and services are produced, sold, and bought in a country or region. A careful use of money, resources, etc. Something that makes it possible for you to spend less money. (www.merriam-webster.com)
Goods	<i>Consumer goods.</i> Goods that are ready for consumption in satisfaction of human wants, as clothing or food, and are not utilized in any further production (www.dictionary.com)
Income	A gain or recurrent benefit usually measured in money that derives from capital or labor. Also the amount of such gain received in a period of time. (www.merriam-webster.com)
Opportunity Cost	The most important alternative that is given up as a result of a specific economic decision. The opportunity cost of purchasing an automobile for an eighteen-year-old boy may be that he cannot afford to go to college.
Producers	People who combine resources to make goods and services.
Profit	The difference between the total revenue and the total cost of a business.
Services	Activities performed by people, business, or government to satisfy economic wants and needs.



Nebraska Social Studies Standards	
Grade 3	
K-12 Economics: Students will utilize economic reasoning skills to make informed judgments and become effective participants in the economy at the local, state, national, and international levels.	
Markets	
SS 3.2.2	Students will categorize natural, human, and capital resources and how they are combined to make goods and deliver services. <ul style="list-style-type: none"> a. Classify natural, human, and capital resources (e.g., tools, soil, water, farmers and Machinery) b. Discuss why producers combine resources to make goods and services
Financial Literacy	
SS 3.2.6	Students will use knowledge of currency to solve real-world problems <ul style="list-style-type: none"> a. Given a budget, students will be able to make choices as to what to purchase and what to give up.
Grade 4	
Markets	
SS 4.2.1	Students will recognize prices are what consumers pay when they buy a good or service. <ul style="list-style-type: none"> a. Predict how consumers would react if the price of a good or service changed b. Predict how producers would react if the profit from selling a good or service changed.
SS 4.2.2	Students will investigate how capital resources are used to make other goods and produce services. <ul style="list-style-type: none"> a. Give examples of capital resources used in making goods and services in NE and in the U.S.
Financial Literacy	
SS 4.2.6	Students will understand that banks are institutions where people save money and earn interest, and where other people borrow money and pay interest. <ul style="list-style-type: none"> a. Identify the costs and benefits of saving, interest, and borrowing.
Grade 5	
Markets	
SS 5.2.1	Students will analyze various markets where buyers and sellers exchange goods or services. <ul style="list-style-type: none"> a. Describe how competition among sellers results in lower costs and prices, higher product quality, and better customer service.
Institutions	
SS 5.2.3	Students will summarize characteristics of economic institutions in the United States. <ul style="list-style-type: none"> b. Identify the importance of financial institutions to households and businesses (loans to individuals in order to provide capital)
Grade 6	
Markets	
SS 8.2.1	Students will explain the interdependence of producers and consumers in a market economy <ul style="list-style-type: none"> b. Illustrate how individuals are both consumers and producers (buyers and sellers) in a market economy. d. Identify the role of entrepreneurs and profit in a market economy.
SS 8.2.2	Students will describe the relationship between supply and demand. <ul style="list-style-type: none"> a. Explain how the relationship between supply and demand determines prices

NEW MEXICO



Strand: Economics

Content Standard IV: Students understand basic economic principles and use economic reasoning skills to analyze the impact of economic systems (including the market economy) on individuals, families, businesses, communities and governments.

K-4 Benchmark IV-A: Understand that individuals, households, businesses, governments, and societies make decisions that affect the distribution of resources and that these decisions are influenced by incentives (both economic and intrinsic).

Grade	Performance standard
3	<ol style="list-style-type: none">1. Explain that people want more goods and services than is possible to produce.2. Define and categorize resources (e.g. human, financial, natural)3. Identify a variety of products that use similar resources.
4	<ol style="list-style-type: none">1. Understand when choices are made that those choices impose “opportunity costs.”2. Describe different economic, public, and/or community incentives (wages, business profits, amenities rights for property owners and renters).

K-4 Benchmark IV-B: Understand that individuals, households, businesses, governments, and societies make decisions that affect the distribution of resources and that these decisions are influenced by incentives (both economic and intrinsic).

Grade	Performance Standard
3	<ol style="list-style-type: none">1. Recognize that a market system exists whenever buyers and sellers exchange goods and services.2. Understand how businesses operate in the United States’ free enterprise system.

K-4 Benchmark IV-C: Understand the patterns and results of trade and exchange among individuals, households, businesses, governments, and societies, and their independent qualities.

Grade	Performance Standard
3	<ol style="list-style-type: none">1. Understand the purposes of saving and spending money.



OKLAHOMA

Process and Literacy Skills (PALS) for Learning	
Standard 1: The student will develop and demonstrate Common Core informational text reading literacy skills.	
Key Ideas and Details	1. Ask and answer questions to demonstrate understanding of a text, referring explicitly to the text as the basis for the answers. 3. Describe the relationship between a series of social studies concepts using language that pertains to time, sequence, and cause/effect
Craft and Structure	4. Determine the meaning of general academic and social studies domain-specific words and phrases in a text relevant to Grade 3 Oklahoma Studies.
Standard 2: The student will develop and demonstrate Common Core writing literacy skills.	
Text Types and Purposes	2. Write informative/explanatory texts to examine a topic and convey ideas and information clearly.
Production and Distribution of Writing	6. With guidance and support from adults, use technology to produce and publish writing (using keyboarding skills) as well as to interact and collaborate with others.
Range of Writing	10. Write routinely over extended time frames and shorter time frames for a range of social studies tasks, purposes, and audiences.
Standard 3: The student will develop and demonstrate Common Core speaking and listening skills.	
Comprehension and Collaboration	2. Determine the main ideas and supporting details of a social studies text read aloud or information presented in diverse media and formats, including visually, quantitatively, and orally.
	3. Ask and answer questions about social studies information from a speaker, offering appropriate elaboration and detail.
Presentation of Knowledge	4. Report on a social studies topic or text or tell a social studies related story with appropriate facts and relevant, descriptive detail, and speaking clearly at an understandable pace.
Economics Literacy	
Content Standard 2: The student will identify and describe basic economic activities creating prosperity in the state of Oklahoma.	
1. Summarize how scarcity and surplus require people to make choices about producing and consuming goods and services. (CCRIT 2)	
2. Compare differences among human, natural, and capital resources used to produce goods and services.	

WYOMING

Social Studies Content Standard 3—Production, Distribution, and Consumption	
Students describe the influence of economic factors on societies and make decisions based on economic principles.	
End of Grade 2	End of Grade 5
SS2.3.1 Give examples of and/or identify needs, wants, goods, and services.	SS5.3.1 Give examples of and/or identify needs, wants, goods, services, scarcity, and choice.
SS2.3.2 Identify how price may affect buying, selling, and saving decisions.	SS5.3.2 Identify basic economic concepts (e.g., supply, demand, price, and trade)
	SS.5.3.4 Explain the roles and effect of money, banking, savings, and budgeting in personal life and society.

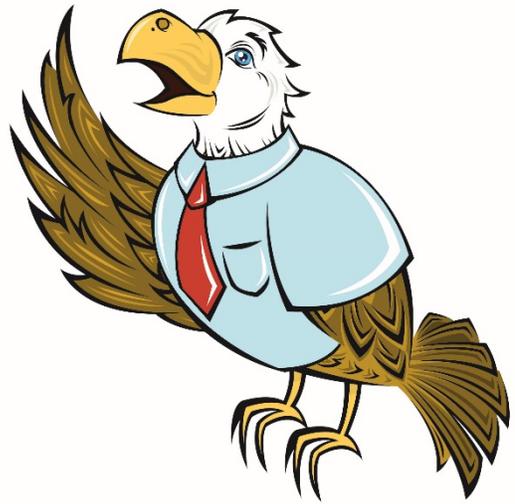
COMMON CORE STATE STANDARDS FOR ELA

1			
Develop and apply skills to the reading process			
B	Grade 3	Grade 4	Grade 5
Vocabulary 6-12 Correlation Reading Literacy 1E, Reading informational 1B	<p>Develop an understanding of vocabulary by:</p> <p>b. using sentence-level context to determine the relevant meaning of unfamiliar words or distinguish among multiple-meaning words</p> <p>e. determining the meaning of the new word formed when a known affix is added to a known base word</p> <p>f. using a dictionary or a glossary to determine the meanings, syllabication, and pronunciation of unknown words</p> <p>i. using conversational, general academic, and domain-specific words and phrases</p>	<p>Develop an understanding of vocabulary by:</p> <p>b. using the context of the sentence to determine the meaning of unfamiliar words or multiple-meaning words</p> <p>e. using a dictionary or glossary to determine the meanings, syllabication, and pronunciation of unknown words</p> <p>f. using conversational, general academic, and domain-specific words and phrases</p>	<p>Develop an understanding of vocabulary by:</p> <p>b. using context to determine meaning of unfamiliar or multiple-meaning words</p> <p>f. using a dictionary, a glossary, or a thesaurus (printed or electronic) to determine pronunciations, parts of speech, meanings, and alternate word choices</p> <p>e. using conversational, general academic, and domain-specific words and phrases</p>
2			
Listen for entertainment			
A	Grade 3	Grade 4	Grade 5
Entertainment No 6-12 Correlation	<p>Develop and apply effective listening skills and strategies in formal and informal settings by:</p> <p>a. demonstrating active listening through body language and eye contact with the speaker, according to classroom expectations</p>	<p>Develop and apply effective listening skills and strategies in formal and informal settings by:</p> <p>a. generating and following active listening rules, according to classroom expectations</p>	<p>Develop and apply effective listening skills and strategies in formal and informal setting by:</p> <p>a. evaluating and modifying own active listening skills</p>
3			
Speak effectively in collaboration discussions			
A	Grade 3	Grade 4	Grade 5

Collaborative Discussions 6-12 Correlation Speaking/Listening 1A, 1C	Speak clearly and to the point, using conventions of language when presenting individually or with a group by:	Speak clearly and to the point, using conventions of language when presenting individually or with a group by:	Speak clearly and to the point, using conventions of language when presenting individually or with a group by:
	<ul style="list-style-type: none"> a. coming to discussions prepared, having read or studied required material; explicitly drawing on that preparation and other information known about the topic to explore ideas under discussion b. responding appropriately to discussion in a variety of settings, according to classroom expectations 	<ul style="list-style-type: none"> a. contributing to discussion after listening to others' ideas, according to classroom expectations b. expressing opinions of read-alouds and independent reading and relating opinion to others 	<ul style="list-style-type: none"> a. summarizing points made by others before presenting own ideas, according to classroom expectations b. providing and evaluating evidence to support opinion
4	Speak effectively when presenting		
A	Grade 3	Grade 4	Grade 5
Presenting 6-12 Correlation Speaking/Listening 2A, 2B, 2C	Speak clearly, audibly, and to the point, using conventions of language when presenting individually or with a group by:	Speak clearly, audibly, and to the point, using conventions of language when presenting individually or with a group by:	Speak clearly, audibly, and to the point, using conventions of language when presenting individually or with a group by:
	<ul style="list-style-type: none"> a. using presentation skills and/or appropriate technology b. presenting information with clear ideas and details while speaking clearly at an understandable pace c. giving an informal presentation, using a variety of media d. choosing words and phrases for effect (adjectives, action verbs, figurative language) e. using academic language and conventions 	<ul style="list-style-type: none"> a. paraphrasing portions of a text read aloud or information presented in diverse media and formats b. using efficient presentation skills with available resources c. incorporating descriptive and sequential details in a student-designed or teacher-assigned topic d. giving a formal presentation to classmates, using a variety of media e. speaking with expression and fluency f. adjusting formal/informal language according to context and topic 	<ul style="list-style-type: none"> a. using efficient presentation skills with available resources using a variety of media b. planning an appropriate presentation based on audience c. employing appropriate pacing, vocabulary, and gestures to communicate a clear viewpoint

Dear Classroom Teacher,

Greetings from the Federal Reserve Bank of Kansas City! We would like to thank you for participating in *Jay Starts a Business* with your students! The team at the Federal Reserve Bank of Kansas City values your expertise and would like to invite your input on this curriculum package. Your review of this educational application and curricular materials will help us improve our resource to ensure it continues to meet your needs, and remains an excellent fit for your classroom.



The survey will take approximately 10 minutes to complete. Please use your browser to access our survey at:

<https://www.surveymonkey.com/r/JayStartsaBiz>

If you would like to be the first to know about our latest curricular materials, or would like to attend any of our free workshops for teachers, please join our list serve at: <https://www.kansascityfed.org/ealert>

If you have any further comments or questions about *Jay Starts a Business* or any of our other educational materials, feel free to reach out to us at www.kansascityfed.org/education.

Educationally Yours,

The Economic Education Team at the Federal Reserve Bank of Kansas City