



BIZ KID\$

Episode 105: Money Moves

Episode 105 Synopsis:

When money moves between individuals or groups it is called a transaction. Join the Biz Kid\$ and you'll follow a single dollar bill as it moves from a depositor's hand across the counter, down to the vault, over to the Federal Reserve, and finally out to a project the bank is financing. Visit the branch of a real credit union inside a high school where the students are tellers. Watch the ebb and flow of money as the kids examine the concepts of supply and demand. Meet a young man who began collecting books to read to his grandmother and soon found himself as the head of a national book foundation.

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Biz Kid\$ Curriculum Package #105



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Biz Terms

- | | |
|--------------------------|------------------------------|
| 1. advertisement | 10. income |
| 2. borrower | 11. law of supply and demand |
| 3. buyer | 12. lender |
| 4. charitable donation | 13. price |
| 5. demand | 14. recipient |
| 6. donor | 15. seller |
| 7. earning | 16. supply |
| 8. financial status | |
| 9. financial transaction | |

Suggestions for using Biz Terms include:

- Have students research and write dictionary definitions.
- Discuss the use of these terms in the episode of "Biz Kid\$".
- Have students construct sentences using these terms.
- Have students write paragraphs, stories, dialogs, "raps", or lyrics.



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Equipment/Materials/Prep needed:

Day One and Day Two:

- TV or projection system
- DVD player
- DVD of Episode 105

Day Two only:

- Student copies of the "Family Activity Sheet".
- Student copies of the "Biz Terms" Sheet.
- Paper, pens, pencils, color markers, and highlighters for students making ads and posters.
- Computers for students to explore web sites listed.
- Guest speaker to be greeted and directed to the correct location for the session.

Preparation:

- Check to be sure needed equipment is available and operational prior to the sessions.
- Gather listed materials.
- Make an appropriate number of copies of the "Biz Terms" Sheet and the "Family Activity Sheet".
- Invite guest speaker from the local community regarding fraud and how to prevent being scammed.



Episode 105: Money Moves

Day One

Introduction

Welcome students/youth to “**Biz Kid\$**” and introduce yourself, giving your name and job title.

Explain that “**Biz Kid\$**” is a program to help people become financially educated, learn work-readiness skills, and to even become entrepreneurs...Biz Kids!!! They can view the program “**Biz Kid\$**” with their families on Public Television stations all over the country, and also participate by using the “**Biz Kids**” web site. Today, they get to see an episode with you.

Previewing Questions:

How do you think business owners decide what price or money value to charge for the products or services they provide?

Allow a few minutes for students to volunteer responses to the question.

Point out that while business owners take into account how much their expenses will cost, they also consider things like the cost of similar items, and whether or not there are a lot of products of this particular type available for sale.

Define **supply** as the amount of a product, good, or service available. Explain that a business owner may only make a certain number of products at a given time, and that is their supply for their business.



There is also a concept called **demand**, the amount of a product, good, or service that people want to buy. When you want to buy an item, that item is in demand by you.

Ask the students to imagine that a convenience store has only 10 gallons of milk to sell. However, there are 20 people interested in buying milk. In this case, there is a small supply of milk, but a high demand to purchase it.

What might happen to the price of milk in this situation?

The students should note that the store will probably raise the price of milk, due to the high demand and small supply. The more people want something, the more they are willing to pay for it.

Today's episode of "**Biz Kid\$**" will show how money constantly moves around the globe, changing hands, and driving the economy. Let's watch the financial transactions begin with "The Transactor"...

Show Episode 105: "Money Moves"

Activity to follow viewing the program together:

I'd like you to think about the following situation for a few minutes. Once I tell you what it is, you will have two minutes to talk to the people on either side of you and quietly discuss what you think will happen. I'll tell you the situation, and then let you know when time to talk to each other is over.

"Pretend that a new video game system is about to be released. Stores are only given a limited supply of the new game systems, and the date of the release is December 15th. What are some things that might happen?"

Start talking!



After two minutes, say "Time is over!"

Once the students quiet down, ask for student volunteers to share their ideas.

These might include:

- People will line up for hours to get one.
- The video game company can raise the cost of its product because of the high demand.
- Lots of people will want one for a gift.
- Some people won't be able to get one as soon as they'd like.
- People who have more money to spend will have an advantage in being able to afford the new game system when the supply is limited.

Thank students for their attention and participation!



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Day Two

Day Two Introduction

Play part of the theme music for "Biz Kid\$" from the episode intro to motivate and engage the students. Then stop the music, welcome the students/youth to today's session, and introduce yourself.

Review and Connect with the Previous Session

In **Episode 105 of "Biz Kid\$"**, you learned how money is constantly moving in a type of circle, as it changes hands, and is used for different purposes. We heard that money gets its real value from transactions.

Some of the Biz Kids featured in this episode included:

Jolynn and Lindsay, who teach gymnastics and raise pigs to sell for profit. They recommended opening a savings account.

Three other young ladies learned how their products are affected by the law of supply and demand. **Zoe, Lily, and Kara** sold their products at a Farmer's Market. They learned that not everything sells; and that by lowering the price on a product that is not selling, it makes that product more appealing to customers. They compared prices being charged for similar products, and also checked prices on the internet to help determine what they should charge for their products.

Some people run "non-profit" businesses, like **Raphael** of "**Bedside Books**". He wanted to give back to the community, promote literacy and the love of reading, as well as recycle books. He invested more time than money



in his business. However, he still had expenses such as gas for delivering the books, shipping and mailing costs, and the cost of maintaining a web site. He raised money from grants and contests to meet his expenses instead of selling a product.

Finally, there was **Jonathan**, one of the students running the "**Dance Radio Station**". They have pledge drives to raise money because the radio station runs like a business. They need to make more money than they spend. These students are getting hands-on experience and training for a career in broadcasting.

These Biz Kids know about supply and demand!

Activity

Explain that the class is going to play a game to better understand how supply and demand affect the price of an item. They are going to hold a "pretend" auction. There will be items for sale. Students will be given "JA Money", and be allowed to bid on the auction items.

Tell students that at an auction, participants listen to an auctioneer who announces prices for various items. If a participant is interested in making a purchase, he or she may bid on a particular item. If there are multiple bids on an item, the price will rise until only one participant is still willing to bid. During our "pretend" auction, students will bid by raising their hands.

Distribute 10 dollars, in one dollar bills, in "JA Money" to each student.

Present the students with the "**Bid on Me Sheet**" marked "**Item 1.**" To the class, read the description found on the "**Bid on Me Sheet.**"

Ask students to raise their hands if they would like to bid on this item. With the hands of interested bidders still in the air, ask students if the demand is high or low for this item. Then say, "Hands down".



- Next, ask that anyone willing to bid one dollar for this item may indicate that by raising their hand.
- Then raise the price, in one dollar increments, until you get to ten dollars or there is only one bidder left.

Ask students to consider the balance between what someone is willing to pay for an item, and how many people want that item. *(At this point, you may be dealing with students who figure out that they can form a partnership and pool their money to buy an item. Commend them for their great business sense and Biz Kids thinking, but say that for this auction, they have to bid alone!!!)*

Repeat this process for the remaining **"Bid on Me Sheets"**. Continue the auction until all the items are sold, or the students appear to have grasped the concept. Allow students to keep their remaining "JA Money" as a reminder of this activity.

Summary and Review

Reflect on the "pretend" auction by asking students if there were some items they wanted more than others. What happened to prices when there were three of the same items available? Was it different when only one item was available? Can anyone tell us in their own words about the law of supply and demand?

Challenge students to look at current supermarket ads or fliers at home.

- See if they can tell which items are better "buys" than others.
- Which types of meats are on sale?
- Why do they think these meats are on sale at this time?
- What about fruits? How does a growing season affect prices?

Encourage them to plan a family meal menu for a day or a week, taking advantage of sales while still providing a variety of foods and good nutrition to their families.



Distribute the **"Family Activity Sheet"** and the **"Biz Terms Sheet"** for Episode 105 to all students.

Thank them for their attention and participation



Episode 105: Money Moves

Family Activity Sheet

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Family Activities:

Save store circulars from different times of the year, and write the date on each advertisement. With your child, explore how prices change according to the time of year, and the demand for those items. For example, summer clothes tend to go on sale as the summer season draws to an end.

Help your child learn about financial flow in your town. Where does it go once you spend it at a store? You might visit a local store and ask the manager to explain what happens to the money earned each day. Most likely the response will be that the money is sent to a financial institution for safekeeping. Travel to a financial institution to see where the money goes from there.



Let your child help plan some family meals using a budget and ads from newspapers or circulars to find what specials are offered. Do you have coupons that would also save money? What advice can you share with them about stretching the family food budget? Is it more expensive to eat out or prepare food at home? Keep a written record of food expenditures for a month; then decide as a family if changes would make a positive difference in saving money, while providing nutritious meals.

