



Video 2 - Lesson Plan “Five Thousand Dollars”

Lesson Description

In this lesson, students will learn about earning and spending income. They will participate in a simple simulation showing how one person’s spending allows other people to earn an income.

Materials

- Whiteboard/markers or chart paper/markers
- Internet access/video projection
- “Five Thousand Dollars” video
- One copy of Visual 1 (can be projected)
- One copy each of Visual 2 - Table Tents 1-5
- Ten copies of Visual 3 - Play Money
- Tape or other adhesive

Suggested Grade Levels

Kindergarten and Grade 1

Economic Concept

Income

Voluntary National Content Standards in Economics

Content Standard 13: Income

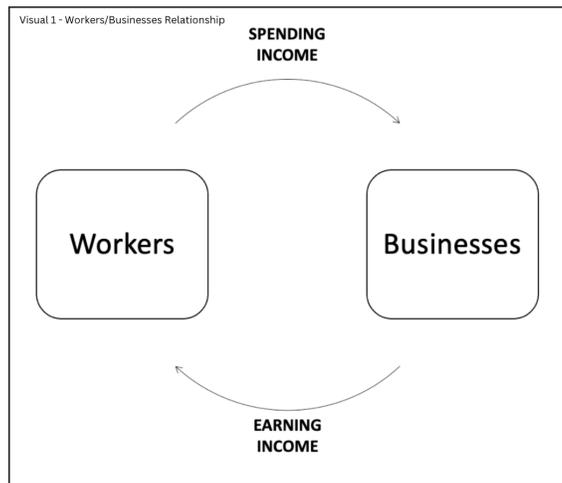
- Students will understand that: Income for most people is determined by the market value of the productive resources they sell. What workers earn primarily depends on the market value of what they produce.
- Students will be able to use this knowledge to: Predict future earnings based on their current plans for education, training, and career options.

Georgia Standards of Excellence - Economic Understandings

- SSKE2 Explain that people earn income by working.
- SS1E4 Explain that people earn income by working and that they must make choices about how much to save and spend.

Classroom Procedures

1. Begin the lesson by reviewing what students already know about earning income, with an emphasis on three vocabulary words: *earn*, *spend*, and *income*.
 - a. Open by asking students to think of jobs they have seen people do. At this age, most students will be able to do this without further prompting, but if they seem stuck, have them think about the jobs people do in their school building or community. **(Answers will vary, but are likely to include some of the following careers: teacher, principal, fire fighter, mail carrier, doctor, dentist, auto mechanic, grocery store clerk, etc.)** List these answers on the board or chart paper.
 - b. Continue by asking, “Why do people do these jobs?” **(Students may give a variety of reasons, but the commonality among the answers is people work in order to earn money.)**
 - c. Make sure students are clear on the words *earn* and *spend*. It may help to use hand motions to introduce these: have students pretend to grab something and pull it toward themselves for *earn* and have them stretch their hands out while pretending to release something for *spend*. Review these motions while saying the words a few times to solidify the vocabulary.
 - d. Follow this up by introducing the word *income*: “In this lesson, we are going to use the word *income* when we talk about the money people are paid for doing a job.” If you have introduced the term *economics* to students, you can clarify this even more by saying, “The economic term for the money people earn by working is *income*.”
 - e. Point out the basic breakdown of the word *income* is, in fact, that something comes in. When we use the term during today’s lesson, we are talking about money - the money that *comes in* from a job or other source. People earn their income and sometimes spend it. This spending becomes other people’s income. The diagram (Visual 1 - Workers/Businesses Relationship) may be helpful.



2. Once students are clear on the terminology and the idea that one person's spending is another person's income, show the "Five Thousand Dollars" video to the class.
3. Following the video, discuss Kevin and his music video aspirations - and the fact that his dreams don't match his budget:
 - a. Begin by asking, "How did Kevin *earn* money?" **(He sold records/albums; he sold his music.)** "How much money did he earn?" **(\$5,000)**
 - b. Continue by asking, "What is Kevin trying to do with the *income* he *earned*?" **(He wants to make a music video. He is paying people to do the work that it takes to make a music video. He is *spending* some - or all - of his income on the video.)**
 - c. The video shows Kevin having some problems with his video. Ask the class, "What problems did Kevin run into when he started planning his video?" **(He didn't have enough money to pay for the things he wanted to put in the video; Kevin wanted expensive things for his video, but then he didn't have enough money to pay the people who would have made the video.)**
 - d. At this point, it may be helpful to walk through the video sequentially using the following questions:
 - i. "What was Kevin's first big idea for his video?" **(He wanted to hire dancers.)**
 - ii. Follow this up by asking, "Why was this a problem?" **(He had \$5,000 to make the video, and paying the dancers would have taken all of his money.)**
 - iii. "After Megan (the singer) tells Kevin he doesn't have enough money for dancers, what does he decide to do next?" **(He wants to hire a marching band for the video.)**
 - iv. Have students explain why this wasn't a good solution. **(A marching band would cost even more than the dancers, so he definitely doesn't have enough money to hire a marching band.)**
 - v. Finally, ask, "What was Kevin's last suggestion for his video?" **(He wants to rent a bright yellow sports car; he wants a Lamborghini.)**

- vi. Ask, “Why wasn’t renting the fancy car a good idea?” (**It’s the most expensive suggestion yet, and Kevin won’t have enough money to pay for it.**)
 - vii. Stress that while Kevin may have been able to pay for any one thing, he would not have enough money left to pay the people who are necessary to make the video.
4. Once students have an adequate understanding of the difficulties Kevin is having while making his music video, tell the class they will help Kevin solve his problems! Using a modified budget, you (as the teacher) will take on the role of Kevin, and look at ways to spend his income in order to produce a music video. With every expenditure, students can practice identifying how Kevin’s spending creates earnings/income for others.
5. Organize students into five groups. Have each group sit together, and give each group one of the five table tents from Visual 2. Quickly review the function of each job (as appropriate):
 - a. Video crew (**helps the artist create a video by operating the video camera and other equipment**)
 - b. Costumers (**make the costumes the artist wears**)
 - c. Dancers (**dance in the background of the video**)
 - d. Music producer (**helps the artist make the song as good as it can be**)
 - e. Marching band (**plays musical instruments while marching**)
6. Tape the ten copies of Visual 3 on the board. Have students count the amount of money they see (**\$10**), and tell the class this represents the amount of money Kevin has to make his video. Note: This is a different amount than what he is given in the “Five Thousand Dollars” video, so he can make different choices. For older students, each bill could represent \$10, \$50, or \$100, if students need practice adding and subtracting multiples of ten. The dollar signs on each table tent indicate how much Kevin will need to pay that group. Four dollar signs can stand for \$4, \$40, \$200, \$400, etc.
7. Tell the class you will be playing the role of Kevin, and deciding how to spend your income on the music video. As you continue the lesson, be sure to explain your thinking at each step, so students begin to understand the process of making spending choices. The dialogue below is a sample; you can alter the scenarios as needed, and change the order of your spending selections. Each time Kevin spends money, the group receiving it is earning that money as income. While this may seem repetitive, it will help students understand these terms in context. Keeping the conversation at a fairly quick pace will help, as well.
 - a. Start Kevin’s spending by thinking out loud along these lines: “In order to make my video, I have to hire a video crew. They will make sure I look my best while I am singing, and make sure the filming goes smoothly. They will also be in charge of lighting - because my fans need to see me looking good!”
 - b. Then, the video crew group should come to the front of the room. Tell this group you (as Kevin) are *spending* \$3 to pay them. Take the corresponding number of

- bills from the board, and have the class count along while you “pay” \$3 to the group.
- c. Before the group returns to their seats, ask the group how much money they have *earned*. They should be able to answer, but if not - they can count their bills again. Ask the group, “What word do we use for money you have earned by working?” **(Income!)**
 - d. Ask the class, “How much money do I (as Kevin) have left to *spend* on my video?” **(Answer depends on the first spending decision. In the example above, it would be \$7.)** Have the class count the remaining bills on the board to check their answer.
 - e. Continue by sharing how you will make your next choice: “Even though it will cost a LOT of money, I really want to look good. I’m going to hire costumers to make sure my outfit is perfect.”
 - f. The costumer group should come to the board. Repeat steps b and c to pay the group, and review how Kevin’s spending becomes their income.
 - g. Pause here for a moment, and share your thinking: “I spent \$3 on the video crew and \$2 on costumers. I have \$5 left to spend. I’m going to hire dancers for \$4.” Have the dancers group come forward to receive their income.
 - h. Tell the class you would like to try again. Have students place the dollar bills back on the board.
 - i. Repeat Steps b-g with the following groups: music producer (\$3), and marching band (\$4), and video crew (\$3).
8. To close, have groups discuss what they would do with their income, since Kevin has now paid them. On what would they spend their money? They can have a quick conversation, or respond by drawing/writing their answers. Have each group share their responses with the class, and use these to discuss how their spending would become the income of even more people!
9. Assessment:
- a. Review the hand motions students learned earlier in the lesson for *spending* and *earning*.
 - b. Tell the class you will read a few scenarios, and ask a question at the end of each one. Students should answer the question with the correct hand motion to tell whether the person in the question is *spending* or *earning*. This will provide you with a quick formative assessment of the class’s overall understanding of the lesson.
 - c. *Scenario 1:*
Lisa has \$5 in her wallet. She heads to the store, and uses \$4 to buy Pokémon cards. Then, with the \$1 she has left over, Lisa buys a candy bar. Is Lisa *earning* money or *spending* money? **(Spending.)**

Scenario 2:

Juan and Jamilla are twins. Their aunt asks them to babysit their younger cousin in the living room while she does some yard work outside. Juan and Jamilla have fun building a block tower and coloring with their cousin. When she comes back inside, their aunt gives them each \$3. Are Juan and Jamilla *spending* money or *earning* money? **(Earning.)**

Scenario 3:

Marquez is starting a pet-sitting business in his neighborhood. Over spring break, two of his neighbors hire him. One neighbor is paying him \$10 to feed her fish every day for a week. The other neighbor is paying him \$20 to walk her dog twice a day for five days. Is Marquez *earning* money or *spending* money? **(Earning.)**

Scenario 4:

Lin has been saving her money for months in order to buy a new soccer ball. She finally has \$30, which is enough to buy the ball and pay for shipping. Her mom helps her order the ball online, and Lin can't wait for the ball to arrive in the mail. Is Lin *spending* money or *earning* money? **(Spending.)**

Scenario 5:

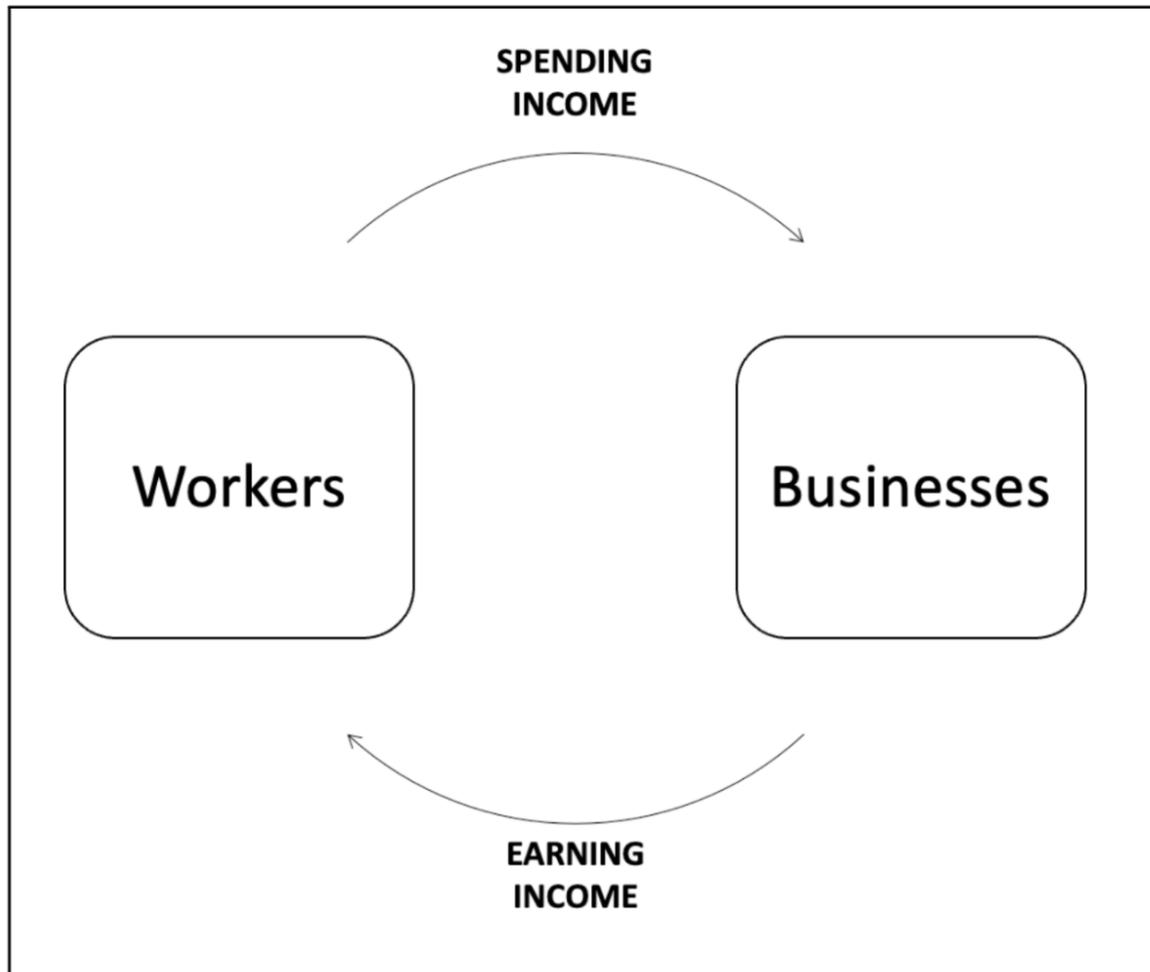
During summer vacation, Logan and his friends Flora and Timothy get to be extras in a movie that is filming in their town. They have to spend hours getting their hair, makeup, and costumes arranged. Then they have to stand in the heat, while the main actors get their lines just right. At the end of the day, each child gets a \$100 check for their work. Are Logan, Flora, and Timothy *spending* money or *earning* money? **(Earning.)**

Bonus question: What economic term would we use for the money Logan, Flora, and Timothy earned for their work? **(Income.)**

Presented by



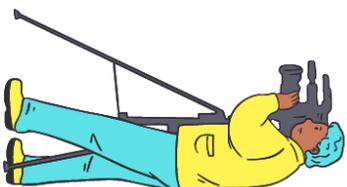
Visual 1 - Workers/Businesses Relationship



Fold on dotted line

Visual 2 - Table Tent 1

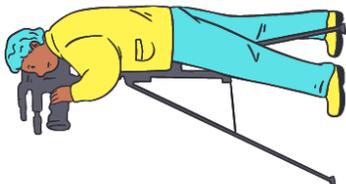
video
crew



\$\$\$

video
crew

\$\$\$



Fold on dotted line

Visual 2 - Table Tent 2

costumers



\$\$

costumers



\$\$

Fold on dotted line

Visual 2 - Table Tent 3

dancers



\$\$\$\$\$

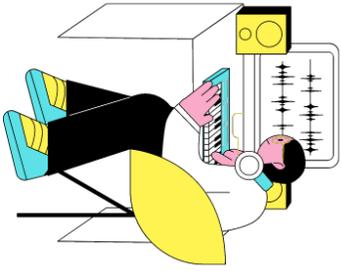
\$\$\$\$\$



dancers

Fold on dotted line

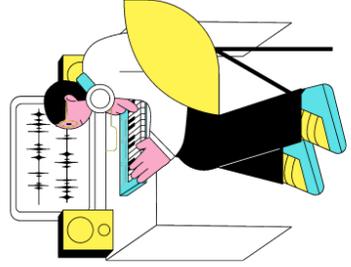
Visual 2 - Table Tent 4



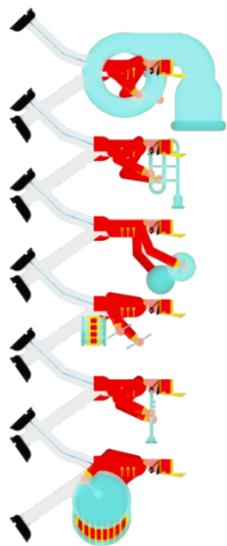
producer
music

\$\$\$

\$\$\$



music
producer



band
marching

\$\$\$\$



marching
band

\$\$\$\$



Visual 3 - Play Money

