

LESSON 09

BUSINESS EXPENSES PART II

Overview:






Students will learn about the concept unit of sale. The concept of a unit of sale can be complicated because 1 object does not necessarily equal 1 unit of sale, which means that a unit of sale can vary. For example: Imagine a pencil factory. They could sell just 1 pencil in their gift shop. That is their unit of sale. They could also sell a pack of 12 pencils. The unit of sale is not 12. The unit of sale equals 1-pack. They could also sell a box of 10,000 pencils to a school, the unit of sale would still be 1.

Duration: 50/minutes

Objective:

- ✓ Students will identify specific types of expenses to analyze and manipulate units of sale.

Materials:

-  Lesson Slide Deck
-  Student Workbooks
-  Pencil or pen
-  Calculator
-  Optional: computer for final presentation deck.

Beforehand:

- o Gather Student Workbooks
- o Gather calculators
- o Review Lesson, Slide Deck, and Teacher Notes

Notes:

Teacher Notes:

Students will be continuing to develop concepts of their real food business plans. The information they are developing will be used in their final presentations. You may choose to have student groups work directly on their final presentation decks in PowerPoint or Google Slides.

Lesson Vocabulary:

- o **Unit of Sale:** What a consumer gets when they pay for something
- o **Contribution Margin:** The amount of money a business makes per sale to cover the fixed expenses

INTRODUCTION (10 minutes)

1. If needed, ask for a student to restate the design challenge set forth during the first lesson. Ensure that students can articulate the design challenge concept.
2. After you've reintroduced the design challenge, instruct students to open their Student Workbooks to Lesson 9. Review today's Essential Questions and let your students know that we will be working on today's Bell Ringer.
3. Give students 5 minutes to complete the Bell Ringer.
4. In today's Bell Ringer, students will define the three types of expenses: **start-up**, **fixed**, and **variable**, in their own words.
5. After 5 minutes, ask for 1-2 students to share their answers.
4. After 10 minutes, let students know that groups will pair up and share their unit of cost. During the group pairing, groups are expected to provide feedback. Instruct your students to record this feedback in Step 3 of their Student Workbooks.
5. Give students 5 minutes to complete Step 3.
6. After 5 minutes, break students back into their working groups. Let students know that they will now be completing Steps 4, 5, and 6 in their Student Workbooks.
7. In Step 4, students will detail their real food business expenses into three categories: start-up expenses, fixed expenses, and variable expenses.
8. In Step 5, students will calculate their contribution margins.

CLASSROOM LESSON (30 minutes)

1. Review lesson vocabulary with students: **unit of sale**. Also review vocabulary from lesson 8: **start-up expenses**, **fixed expenses**, and **variable expenses**. Ensure that students understand these concepts. Project the definitions or write them on the whiteboard, if needed.
2. Have students complete Step 1 in their Student Workbooks. Give students 5 minutes to complete this task. Review answers as a class. All examples are true.
3. After 5 minutes, break students into their working groups and let them know they will now begin working on Step 2, which will ask student groups to define their unit of sale. Give groups 10 minutes to discuss and decide on their unit of sale.
9. In Step 6, students will assess their real food business plans and make changes to the unit prices, variable expenses, and fixed expenses.
10. Give students the rest of the class period to work on Steps 4, 5, and 6. Walk around and support groups or have a class discussion as needed.

STUDENT REFLECTION (10 minutes)

1. Students groups will continue to work on Steps 4, 5, and 6.

Standards Alignment:

*See Real Food Lab Standards Alignment for additional details on each standard.

Entrepreneurship 9th - 12th Grade

- Entrepreneurial Processes - Discovery: A.08
- Entrepreneurial Process - Concept Development: A.09, A.11, A.16
- Entrepreneurial Process - Resourcing: A.23
- Entrepreneurial Process - Actualization: A.24, A.31, A.34
- Entrepreneurial Traits/Behaviors - Leadership: B.02, B.03, B.04, B.05, B.06, B.07, B.08
- Entrepreneurial Traits/Behaviors - Personal Assessment: B.12, B.14, B.15, B.16
- Entrepreneurial Traits/Behaviors - Personal Management: B.18, B.19, B.20, B.21, B.22, B.24, B.26, B.27
- Communication and Interpersonal Skills - Fundamentals of Communication: D.02, D.03, D.08, D.11
- Communication and Interpersonal Skills - Group Working Relationships: D.25, D.26
- Economics- Economic System: F.23

Common Core State Standards 9th - 10th Grade

- ELA- Writing: W.9-10.2, W.9-10.4, W.9-10.7
- ELA- Speaking and Listening: SL.9-10.1, SL.9-10.3, SL.9-10.4
- ELA - Language: L.9-10.1, L.9-10.2, L.9-10.6
- Math Practice - MP.1, MP.2, MP.4, MP.5

Common Core State Standards 11th - 12th Grade

- ELA - Writing: W.11-12.2, W.11-12.4
- ELA - Speaking and Listening: SL.11-12.1, SL.11-12.3, SL.11-12.4
- ELA - Language: L.11-12.1, L.11-12.2, L.11-12.6
- Math Practice - MP.1, MP.2, MP.4, MP.5