

# Wild about Economics

A Mini-Economy Designed for fifth graders



Designed By Mrs. Janice Edgar

## Introduction

I decided to create a mini-economy for the fifth grade class because I want to teach the students how to understand personal finance, supply and demand, and other concepts important to the United States economic system. Many studies have shown that children learn a lot by simulating real-life situations therefore this seemed like a great way to show children America in action. This type of classroom does require time from all parties but the skills learned are worth the investment.

## Objectives

These objectives are derived from the Missouri Grade Level Expectations and build upon economic terms the students have already been introduced to.

- The learner will be able to understand the economic principle of scarcity and why it causes an opportunity cost or trade-off.
- The learner will be able to comprehend the influence supply and demand has on consumers and producers in a free enterprise system.
- The Learner will be able to understand how economics works in the United States and how it relates to world economies.

## Missouri Show-Me Standards

Goal 2.6: students apply communication techniques to the job search and to the work place.

Goal 4.2: Students understand and apply the rights and responsibilities of citizenship in Missouri and the United States.

Goal 4.6: Students identify tasks that require a coordinated effort and work with others to complete those tasks.

## How it works

Just as our country is led by a government, so to will the class. Each quarter, students will have a chance to elect a candidate for the president, vice president, secretary, and representative positions. Students who wish to be elected for these positions must campaign. I will provide poster and materials for students to do this.

All other students will apply for a classroom job by completing an application and going through the interview process. I will teach mini-lessons designed to prepare students for these activities.

Each classroom job has a pay scale, just as in real life. Students will earn their paychecks, minus taxes, every two weeks. Students will then get to deposit their checks into a checking or savings account in the Bank of Freedom and Unity, our class bank. Each student has an established account in checking and savings with \$100 in Star Bucks each. Students will be responsible for keeping track of their own money, even though one or two students will act as a banker and record the transaction on a ledger assigned to each individual student.

Just as students have the opportunity to earn money, they will have the opportunity to spend money. There will be some “real life” expenses as well as auctions. Also, in accordance with our Lucy Patrol, students may have to pay fines.

### Monthly Rent or Ownership

Rent is due from each employee on the first Friday of each month.

Rent is assigned per group as follows:

- **Group 1**                      Cheetah Street - \$200
- **Group 2**                      Lemur Boulevard -\$150
- **Group 3**                      Kapok Way \$100

If employees cannot pay their rent at the beginning of the month, they will be evicted and have to sit on the desk until they can pay their rent again.

In October, we will have an auction for those students interested in purchasing their “condominium” desk. Students can purchase extra desk space if it is available and charge rent to tenants (Students who chose not to purchase). Those students who decide to become owners will be responsible for insurance and taxes on their property.

### Utilities and Taxes

Students will be charged monthly utilities on the first of the month. They will pay for the use of electricity and water.

Electricity \$5.00  
Water and Trash \$ 3.00

Just as adults have to pay taxes on income earned, so will the students. On April 15<sup>th</sup> students will complete the appropriate tax forms and pay taxes.

### Lucy Patrol

The Lucy Patrol is our class safety patrol. It is their job to monitor students’ actions and fine those students who choose not to follow the classroom and school rules. At all times students must follow class and schools rules. The Five B’s: Be Kind, Be Safe, Be Cooperative, Be Respectful, and Be Responsible, are expectations put in place at Bellflower so that each individual student will get the best learning environment possible.

### Reasons a Students may pay a Fine

- Not following classroom and school rules
- No heading on papers
- Forgetting materials at home or at school
- If students misplace their S.T.A.R. Organizational File they will be charged \$50 in Star Bucks money. The S.T.A.R. Organizational File is an integral part of the home/school connection and it is very important that the students are always aware of where their files are. It is also important that they have these tools on a daily basis.

### Extra Ways to earn Star Bucks

- When desk checks are done, students can earn \$5.00 for having a clean desk. This incentive is paid only once a week. .
- Writing and Publishing a story that was not assigned can reward the student with \$25.00 in Star Bucks.
- Sometimes we will have various contests in the classroom. Students can participate in these for Star Bucks. The actual amount will actually depend on the contest and the winners. However, all that participate will be eligible to earn some Star Bucks.

## Other ways to spend money

- When students need to get a bathroom pass during class it will cost them \$5 in Star Bucks. Students will have opportunities to go to the restroom throughout the day as a class and they will be allowed two emergency passes each month. This prevents disruption during learning time. However, if there is any situation where the student needs unlimited access please let me know immediately and we will address the issue together.
- If students lose their assignment and need to buy a second copy it will cost them \$5.00 in Star Bucks. It is important that students take responsible actions with all of their belongings.

## Classroom Jobs

### **Class President: \$250.00 Weekly**

- Acts as the line leader at all times (the rest of the officers are behind the president).
- Helps to monitor the line.
- Leads class meetings with the other class officers.
- Executive procedures for new classroom regulations and procedures
- Hangs flag daily.

### **Class Vice President: \$200.00 weekly**

- Acts as president when the president is absent.
- Checks with the Job Manager at end of day to make sure all jobs were completed.
- Assist with class meetings.
- Executive procedures for new classroom regulations and procedures

### **Class Secretary: \$175.00 weekly**

- Fills in assignments in the “While you were out” notebook.
- Keeps track of and collects work for all absent students.
- Takes notes from class meetings.

### **Class Representative: \$175.00 weekly**

- Serves as the “voice of the people” (Students with problems go to the Representative for help).
- Serves as the peer mediator (helps to solve peer conflicts).
- Fills in for classroom jobs when another student is absent or teacher assistant.
- Executive procedures for new classroom regulations and procedures

### **Classroom Economist: (This can be a 2 person position) \$175.00 weekly**

- Monitor job list and make sure everyone is completing their assigned job.
- Passes out bi-weekly paycheck.
- Creates a report for the class income and expenses. Then make graphs to compare the two amounts in order to analyze the economy in our classroom.
- Handles deposits and correctly add it to students’ individual accounts on the Mini-Economy Banking Program.
- Handles withdrawal transactions and correctly subtract amounts from students’ individual accounts on the Mini-Economy Banking Program.
- Assess and collect income tax and maintain records as directed by teacher
- Collect utility bills and fines as paid, record in logbooks

### **Postal Officer: \$100.00 weekly**

- Delivers messages and lunch count to office
- Handle’s Classroom mail and ensures delivery of mail between classrooms.
- Passes out Friday papers and ensures all notes from office and teacher get passed out.



**Lucy Lieutenant:** \$150.00 Weekly

- Monitors all playground activity to ensure students are following playground rules.
- Monitors lines at all times, listing names of people not following procedures.
- Monitors students at all times to see they are following all classroom and school rules.
- Hang flag daily following appropriate procedures

**Librarian:** \$100.00 weekly

- Reshelf books in classroom library.
- Keep classroom library clean and organized.
- Fill out purchase orders for student choice books.

**Clean Team:** (one or two) \$125.00 weekly

- Checks all desks in classroom once a week to make sure all desks are clean and trash free.
- Cleans desk tops once a week with sanitizer.
- Ensures the floor area in the classroom is clean and there is no trash or supplies at end of day.
- Checks playground daily for trash and lost items
- Waters class plants

**Top Toucan:** (week long privileged position within classroom)

- Privilege earned by classroom and work performance.
- Assist teacher with overhead activities.
- Help grade papers.
- Sit in a papasan chair
- Eat lunch with teacher one day of week.
- Help with other classroom jobs.
- Receive \$250.00 in Star Bucks for week.



**Home Connection**



- Encourage your child to do chores at home to earn an allowance.
- Help your child budget an allowance to save for something they may want.
- Allow your child to assist in the family budget and bill paying when possible to help them understand income and expenses more.
- Allow your child to help with the grocery shopping so they can learn more about things people need versus things people want.
- Discuss money with your child in many situations. Sometimes just telling them they can't have something doesn't make sense. If you take the time to explain why it is too expensive or why it is not sensible it may help them grasp the concept much better.

**Books and Resources about Economics**



*Sarah Plain and Tall* by Patricia McLaughlin

*Mixed-Up Files Mrs. Basil Frankweiler* by K. L. Konigsburg

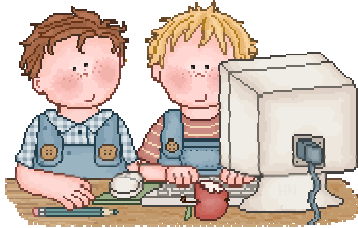
*The Hundred Penny Box* by Sharon Bell Mathis

*Homer Price: The Doughnuts* By Robert McClosky

*Meet Molly An American Girl* by Valerie Tripp, C F Payne

*Kermit the Hermit* by Bill Peet

## Websites of Interest



### *Economics 101: Explaining Economics*

<http://www.imf.org/external/np/exr/center/students/money/index.htm>

### *Economics of Pro Team Sports*

<http://www.bos.frb.org/peanuts/leadpgs/intro.htm>

### *Moneyopolis Game*

<http://www.moneyopolis.org/new/home.asp>

### *Lemonade Stand*

<http://www.prongo.com/lemon/index.html>

