

# *Mini-Society Businesses*

## *Providing Classroom Goods and Services*

Our social studies unit, Mini-Society, is in full swing. Through this economics unit, your child will learn about both government and entrepreneurship. The first round of our elections has been held, and the rest of the results will be in on Monday. Elected students will receive additional money in compensation for this extra job.

In class, your child has been earning Musical Society money for the last week. Every student can earn up to \$5.00 per day by performing tasks that anyone can complete. For example, they earn money for having their planner signed, their homework turned in, their mail picked up, and their chair up at the end of the day.

This week they will begin to use this money to pay for a business license, taxes, and pay a water and electric bill. We will also learn about owning businesses by ourselves and with a partner, costs involved, property taxes, budgeting and paying bills, setting prices, profit margins, and supply and demand.

While students are earning money in class, they should spend this week at home deciding on a good or service they can provide to earn money through a business. Students may enter into a business alone (a sole proprietorship), or with a classmate (a partnership). A list of possible class-friendly businesses is attached.

Students and families are encouraged NOT to spend more than the value of \$10.00 for this entire project. For example, if your child wants to make pom-pom animals, you would need to include any materials you *buy* from the store, any materials you *donate* from home, and any materials *given* to them by others. The VALUE cannot exceed \$10.00 for the length of the project (about a month or so). Therefore, if your child uses \$10.00 worth materials in the first week, you may *not* use another \$10.00 worth of materials from home. At that point, your child would need to: work for someone else in the class to earn money, or purchase materials from the classroom warehouse with Mini-Society money to continue on

(in possibly another business). So, children will need to think not only about what to provide, but how to sustain that business.

\*Due to many food sensitivities and allergies, *no* food products will be provided as a good.

### **How can you help?**

Encourage entrepreneurship in your child- help him or her find creative and innovative ways to make products or services with little or no money.

Insist on fair compensation for materials or labor you provide- if you help to produce goods, negotiate a labor contract. You are not free labor, and should be compensated for help provided (including materials, driving to the store, helping to assemble, glue, cut, etc.) If you provide free labor, they can't accurately calculate their profit margin (income – [ labor + materials + capital]) How can you be compensated? Bartering services, allowance money, or Music Society money (our class money)

Donate materials to our classroom (note- your child does not automatically get these materials- they are purchased with Mini-Society money). You could also come to school on our "market days" to purchase goods with any Music Society money you may have earned.

Our first market/sale date in class will be on December 18<sup>th</sup>, from 2:45-3:15 p.m. If you have Musical Society money that you would like to spend, you are welcome to join us. Also, you may turn real money into Musical Society money. For each real \$1 you spend, you receive \$5.00 in Musical Society money. (Note- Any money collected is used to purchase warehouse/craft supplies for next year's class.)

Please see the next page for possible products and services.

## Mini-Society Products and Services 2012

greeting cards	desk cleaning- organize inside
book marks	locker cleaning- organize inside
key rings	shoulder massage
comic book	nail painting
trading cards	hair braiding
picture frames	teach something- (math tutoring, read
pencil toppers	to someone, spelling, a craft like
pet rocks	braiding, origami, etc.)
pom-pom buddies	fix something-
sports pictures	
hair clips	
pins	
wallets	
joke book	
magnets	
book covers	
origami	
paper airplanes	
bracelets	
magnets	

Note: Great places to shop for discounted goods: The Ann Arbor Re-Use Education Center, The Salvation Army, the Ann Arbor PTO Thrift Shop, etc.