



El Dorado County Career Technical Partnership

In Partnership: Folsom Lake College • El Dorado Union High School District • El Dorado County Office of Education

Author's Name: Jeff Schecter

Title: Business profit and business costs		
Content Area: Economics	Grade: 12	Duration: 2 periods
Career Technical Industry Sector:	X	Agriculture and Natural Resources
		Hospitality, Tourism, and Recreation
Standards and Benchmarks:	<p>History-Social Science: 12.2 Students analyze the elements of America's market economy in a global setting.</p> <p>12.2.8 Explain the role of profit as the incentive to entrepreneurs in a market economy.</p> <p>SCANS: Thinking Skills:</p> <p>F8 Decision Making. Specifies goals and constraints, generates alternatives, considers risks, evaluates and chooses best alternatives.</p> <p>Interpersonal:</p> <p>C9 Participates as a member of a team. Contributes to group effort.</p> <p>Pathway Standards:</p> <p>E9.0 Students understand the role of fire in natural resource management. E9.4 Understand the components of a fire-control plan.</p> <p>E10.0 Students understand forest management practices: E10.1 Understand how social, political, and economic factors can affect the use of forests.</p>	
Objectives:	<p>Students will be able to:</p> <ul style="list-style-type: none"> • Define the terms 'fixed costs' and 'variable costs' - <i>knowledge</i> • Identify how these costs impact profit and why entrepreneurs are motivated to reduce costs and increase profits – <i>comprehension</i> • Use examples of costs from a local business to generate alternatives, consider risks, evaluate and choose the best alternatives to increase profit. – <i>analysis, synthesis, evaluation</i> Add Pathway Specific Objective • List the 3 basic components of a fire control plan – <i>knowledge</i> • Use examples from the slideshow 'Solving the Wildfire Crisis' to analyze how unmanaged forests increase the risk for destructive wildfires - <i>analysis</i> • Argue whether or not it is economically feasible to pay for forest restoration and forest management by raising prices and/or taxes on wood products. - <i>evaluation</i> 	



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<p>Resources and Materials:</p>	<p>Graphics/photos/advertisements of employees, facilities and products from a local business.</p> <p>List of fixed and variable costs of the local business.</p> <p>A copy of the slideshow: Solving the Wildfire Crisis. Available from the California Forest Foundation. www.calforestfoundation.org 1-866-241-TREE</p>
<p>Differentiation:</p>	<p>Handouts from previous lessons that were used to define fixed and variable costs, along with student generated examples of costs for a variety of businesses will be available for students.</p> <p>Group students in combinations of learning styles and learning levels.</p>
<p>Preparing Students for the Lesson:</p> <ul style="list-style-type: none"> • Transitions • Expected Behaviors 	<ul style="list-style-type: none"> • Inform students that this will be a group lesson and to break into pre-assigned groups/locations. • Remind students that group activities involve: participation, recording and reporting. SCANS C9 • At the end of the group activity, a student reporter from each group will have 3 minutes to present their findings and defend their position This will be a 'monologue'. A class discussion evaluating group findings will take place after all groups have presented.
<p>Teaching the Lesson (Lesson Sequence/ Activities):</p> <ul style="list-style-type: none"> • Motivation/ Anticipatory Set • Pre-Assessment/ Activating Background Knowledge • Teacher Input, Modeling, & Checking for Understanding 	<ol style="list-style-type: none"> 1. Ask students, 'how much should a business charge for its product?' (Use a local business or a well known business and a specific product.) As students volunteer their responses, ask each student why they chose that price. 2. List the reasons the students give on the board. 3. Focus on costs – create two lists of student responses – fixed costs and variable costs. This is a good time to 're-teach' the definitions of fixed costs and variable costs. Use a slideshow to illustrate a local business – slides of employees, equipment, facilities, products (with prices). As you review each slide discuss the 'costs' associated. 4. Instruct students to draw a line down the middle of a piece of paper. They are to label one column 'fixed costs' and one column 'variable costs'. Students should assign what they see in each slide to one of the columns. Check for understanding by calling on students to share in what column they recorded the slide, and why. By the end of the slide show, each student should have a list of fixed and variable costs for the business. 5. Students break into groups. Give each group a handout of five proposals that could increase profits for 'their' business. Remind students that group work includes – participation, recording and reporting. Tell groups that the first task of the group is to choose a RECORDER (someone to write down the group's ideas) and a REPORTER (someone to share the group's findings at the



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<ul style="list-style-type: none"> • Guided Practice • Independent Practice • Closure 	<p>end of the group activity).</p> <ol style="list-style-type: none"> 6. Groups then evaluate the proposals on the handout and come to a consensus as to which proposals are most appropriate and why. Circulate among the groups to encourage participation of all group members. Assist students in developing evaluation and risk assessment skills, along with decision making skills and group/team skills 7. At the conclusion of the group activity, a student reporter from each group will share the group's findings. 8. After all groups have reported, lead a class discussion focusing on the benefits and risks of each proposal. 9. Conclude the discussion by reviewing the assessment questions each student will need to respond to and by answering student questions. Clarify the role of profit in business, the importance of evaluating the risks and benefits of choices and the value of teamwork and group member's participation. 10. Part 2 of the lesson begins with viewing the slideshow 'Solving the Wildfire Crisis'. After viewing the slideshow conduct a class discussion on the main points of the slideshow including social, political and economic forces that influence forest management. List relevant information on the board so students will have this information to refer to when they return to their assigned groups 11. Students then return to their assigned groups to identify and list the 3 necessary components of a fire control plan. Each group will then evaluate how unmanaged forests increase the risk for destructive wildfires. Groups will list at least 2 conditions that increase the risk for wildfires. 12. Groups will then act as a governing body of a local forest. Their task is to decide whether to impose a 10% tax on the wood products generated from the forest in an effort to pay for forest restoration and management. Inform each group to use the information in the slideshow (and listed on the board) to assist them in making a decision. Explain that each group will get an opportunity to share their decision along with the reasons behind their decision.
<p>Assessment:</p>	<p>Each student, will respond in writing to the following questions:</p> <ol style="list-style-type: none"> 1. Why would a business owner want to reduce 'costs'? 2. Which proposal did you think was the best idea for reducing costs and why? 3. Would a forest products business owner want to reduce the severity of Wildfires in the forest? Why or why not? 4. In your opinion, did the group you were in function well? Why or why not?
<p>Notes & Reflections:</p>	<p>By using a local business as an example, you increase the chances of students making a connection between what is learned in the classroom with their 'outside' world.</p>

<p>Externship Sites:</p>	<p>Sierra Pacific Industries</p>		
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