

Agricultural Business and Finance

Primary Career Cluster:	Agriculture, Food and Natural Resources
Course Contact:	CTE.Standards@tn.gov
Course Code(s):	C18H11
Prerequisite(s):	Organizational Leadership and Communications (C18H18)
Credit:	1
Grade Level:	12
Elective Focus – Graduation Requirements:	This course satisfies one of three credits required for an elective focus when taken in conjunction with other Agriculture, Food, & Natural Resources courses. In addition, this course satisfies the <i>Personal Finance</i> and <i>Economics</i> requirement for graduation.
POS Concentrator:	This course satisfies one out of two required courses to meet the Perkins V concentrator definition, when taken in sequence in the approved program of study.
Programs of Study and Sequence:	This is the fourth and final course in the Agribusiness program of study.
Aligned Student Organization(s):	FFA: http://www.tnffa.org
Coordinating Work- Based Learning:	All Agriculture students are encouraged to participate in a Supervised Agricultural Experience (SAE) program. In addition, teachers who hold an active WBL certificate may offer placement for credit when the requirements of the state board's WBL Framework and the Department's WBL Policy Guide are met. For information, visit https://www.tn.gov/education/educators/career-and-technical-education/work-based-learning.html .
Promoted Tennessee Student Industry Credentials:	Credentials are aligned with postsecondary and employment opportunities and with the competencies and skills that students acquire through their selected program of study. For a listing of promoted student industry credentials, visit https://www.tn.gov/education/educators/career-and-technical-education/student-industry-certification.html .
Teacher Endorsement(s):	048, 150, 448, and 950
Required Teacher Certifications/Training:	Teachers must attend the state approved training to teach personal finance for this course to satisfy the personal finance requirement.
Teacher Resources:	https://www.tn.gov/education/educators/career-and-technical-education/career-clusters/cte-cluster-agriculture-food-natural-resources.html Best for All Central: https://bestforall.tnedu.gov/

Course at a Glance

CTE courses provide students with an opportunity to develop specific academic, technical, and 21st century skills necessary to be successful in career and in life. In pursuit of ensuring every student in Tennessee achieves this level of success, we begin with rigorous course standards which feed into intentionally designed programs of study.

Students engage in industry relevant content through general education integration and experiences such as career and technical student organizations (CTSO) and work-based learning (WBL). Through these experiences, students are immersed with industry standard content and technology, solve industry-based problems, meaningfully interact with industry professionals and use/produce industry specific, informational texts.

Using a Career and Technical Student Organization (CTSO) in Your Classroom

CTSOs are a great resource to put classroom learning into real- life experiences for your students through classroom, regional, state, and national competitions, and leadership opportunities. Below are CTSO connections for this course, note this is not an exhaustive list.

- Participate in CTSO Fall Leadership Conference to engage with peers by demonstrating logical thought processes and developing industry specific skills that involve teamwork and project management.
- Participate in career and leadership development events (CDE/LDE) that highlight job skill demonstration. These include but not limited to Farm Business Management, Agricultural Communications, Agricultural Issues, Cooperative Development Challenge, Employment Skills, Parliamentary Procedure, Extemporaneous Speaking, and Prepared Public Speaking.

Using a Work-Based Learning (WBL) in Your Classroom

Sustained and coordinated activities that relate to the course content are the key to successful workbased learning. Possible activities for this course include the following. This is not an exhaustive list.

- **Standards 1.2-2.3** | Have an industry representative as a guest speaker with one of the topics dealing with the aspects determining needed occupational skills.
- **Standards 3.1-3.7** | Have the students work with an agricultural accountant or bookkeeper to evaluate data sets to make personal and business financial recommendations.
- **Standards 3.5-3.6, 4.2-5.2** | Do a project to be used by local industry or evaluated by local industry managers.
- **Standards 5.3-6.4** | Integrated project with a professional.

Course Description

Agricultural Business and Finance is an applied course that addresses the economic and business principles necessary to operate a successful agribusiness. The course covers a wide range of topics in business, finance, economics, and management. Upon completion of this course, proficient students will have learned to apply the principles drawn from these topics toward activities that support their own business aspirations in the agriculture industry. Agricultural Business and Finance is a dual credit course with statewide articulation.

Course Standards

1. History of Agribusiness

- 1.1 <u>Historical Development</u>: Describe the **evolution of the agribusiness system** in the United States by identifying historical milestones resulting from the boom and bust cycle which created the development of the modern day agribusiness sectors.
- 1.2 <u>Occupational Trends</u>: Evaluate local job postings, labor, and workforce data to analyze the **knowledge, skills, and abilities necessary for employment** in agribusiness, management, and entrepreneurship occupations related to:
 - a. education and training, including admission requirement and tuition requirements;
 - b. available positions;
 - c. salaries:
 - d. cost vs. benefits of education/training;
 - e. potential lifetime earnings;
 - f. employment benefits; and
 - g. possible need for relocation to advance.
- 1.3 <u>Types of Ownership</u>: Compare and contrast different **business and ownership models** of agribusinesses (e.g., proprietorships, partnerships, corporations, limited liability companies, franchises, and cooperatives.) Include the scope, economic impact, and future trends of a specific type of agribusiness locally, regionally, nationally, and globally.

2. Saving, Investing, and Financing

- 2.1 <u>Building Wealth</u>: Analyze and explain how the different **forms of saving, financing, and investing** can contribute to financial well-being, building wealth, personal financial goals, and a sound agribusiness. Compare and contrast these financial services to recommend the appropriate service for specific personal and/or agribusiness financial goals.
- 2.2 <u>Financial Management</u>: Demonstrate the accurate analysis of **financial data management** by maintaining balanced records for all accounts within a variety of diversified agricultural enterprises or supervised agricultural experience programs (SAE) by performing the following processes:
 - a. recording and posting entries to affected supplies, inventory, notes receivable, insurance, accounts payable, and taxes;
 - b. preparing profit and loss statement for a specific enterprise (plant, animal, or service);

- c. record closing entries of temporary accounts including revenue, operation expense, non-cash expenses, closing inventory, non-current inventory, etc.; and
- d. prepare end of the year closing reports to project profit, documentation to secure loans or investors.
- 2.3 <u>Financing</u>: Compare and contrast the differences between **personal, business, and farm financing**, including but not limited to sources, terms, and available risk management strategies.

3. Recordkeeping and Accounting

- 3.1 <u>Recordkeeping Processes</u>: Distinguish between **bookkeeping and accounting**. Justify the need for organized **recordkeeping processes** as an integral part of a comprehensive management system.
- 3.2 <u>Spreadsheet Functions</u>: Analyze **spreadsheet functions** (e.g., pivot tables, charts, and graphs) to convey a particular meaning or draw conclusions from a spreadsheet dataset to make sound data analysis recommendations.
- 3.3 <u>Accounting Reports</u>: Create summary **charts and graphs** that summarize appropriate data series, including differentiating between rows and columns in source data.
- 3.4 <u>Formatting Accounting Reports</u>: Format and modify **accounting report charts and graphs** to improve data presentation impact by using spreadsheet components such as legends, sizes, parameters, layouts and styles, positioning objects (e.g., textbox, SmartArt, or image), borders, positioning, properties, styles, effects, and colors.
- 3.5 <u>Taxes and Financial Applications</u>: Analyze and explain the basic **personal and business financial records** to complete **taxes**, **measure profit and loss**, **liquidity**, **equity**, **income tax**, **employment and SAE related applications** including resume, budgets, income statements, balance sheets, cash flow statements, profit and loss statements, liquidity, and equity statements.
- 3.6 <u>Accounting Practices</u>: Apply **fundamental principles of financial recordkeeping** to agribusiness planning, logistics, and operations, including at a minimum the following:
 - a. differentiating between fixed and variable costs;
 - b. determining pricing methods;
 - c. using general ledger and basic accounting principles (accrual vs. cash basis);
 - d. calculating depreciation, current and not current inventory values, and change in total net worth; and
 - e. estimating simple and compound interest.
- 3.7 <u>Accounting Strategies</u>: Explain the relationships between depreciation, taxation, and insurance records as being part of a **sound personal and business strategy**.

4. Consumer Finance

- 4.1 <u>Personal Finance Practices</u>: Examine personal and business records using specific **responsible personal finance practices** to recommend basic financial management and financial security tips.
- 4.2 <u>Banking Procedures and Practices</u>: Examine essential principles of consumer finance by summarizing **common banking procedures and services**, including the establishment of personal and operating accounts. Compare and contrast the costs and benefits of financial services based on personal characteristics, wealth, debt, and risk management.

5. Economics of Agribusiness

- 5.1 <u>Economic Principles</u>: Explain how **economic principles apply to agribusiness**, including macro versus microsystems, factors and effects of competition, inflation, pricing, and supply and demand relationships.
- 5.2 <u>Government Policies</u>: Analyze the **role of government in setting monetary, fiscal, and taxation policies** that affect the operations of agriculture businesses.
- 5.3 <u>Global Commodities Impact</u>: Assess the **global impact of American commodities** on world food markets. Compare and contrast the impact of foreign trade laws that affect supply and demand in Tennessee, the United States, and the world economies.

6. Business Planning and Management

- 6.1 Entrepreneurship: Assess the **importance of entrepreneurship** in society. Differentiate between characteristics of successful and unsuccessful entrepreneurial endeavors. Evaluate methods for identifying opportunities in entrepreneurship and outline the major steps in starting an agribusiness.
- 6.2 <u>Business Planning</u>: Develop, revise, and present a **comprehensive business plan** for an agriculture-related business. Address at minimum the following components: type of agricultural ventures, projected profits, expenses, margins, returns on investment, and facilities and equipment needs.
 - a. description of the type of agricultural venture
 - b. executive summary
 - c. vision and mission statements
 - d. industry overview
 - e. market analysis
 - f. marketing plan
 - g. financial plan
 - h. needed facilities and equipment

- 6.3 <u>Effective Management</u>: Evaluate and recommend the **appropriate managerial skills** needed to effectively manage various sizes of agriculture-related businesses from a family operation to a cooperative business.
- 6.4 <u>Regulatory Agencies</u>: Compare and contrast the various **state and national regulatory agencies** developing policies governing modern agribusinesses. Provide a full explanation of the impact of each agency.

Standards Alignment Notes

References to other standards include:

- SAE for All: <u>Evolving the Essentials</u>: All Agriculture students are encouraged to participate in a Supervised Agricultural Experience (SAE) program to practice and demonstrate the knowledge and skills learned in their agriculture courses
- AFNR: <u>National Agriculture, Food, & Natural Resources (AFNR) Career Cluster Content Standards</u>: Students engaged in activities outlined above should be able to demonstrate fluency in Standards ABS and CS at the conclusion of the course.
- P21: Partnership for 21st Century Skills <u>Framework for 21st Century Learning</u>
 - Note: While not all standards are specifically aligned, teachers will find the framework helpful for setting expectations for student behavior in their classroom and practicing specific career readiness skills.