



Agricultural Business and Finance

Primary Career Cluster:	Agriculture, Food and Natural Resources
Course Contact:	CTE.Standards@tn.gov
Course Code(s):	C18H11
Prerequisite(s):	<i>Organizational Leadership and Communications</i> (C18H18)
Credit:	1
Grade Level:	12
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> requirement for graduation.
Programs of Study and Sequence:	This is the fourth and final course in the <i>Agribusiness</i> 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 are encouraged to use embedded WBL activities. For information, visit https://www.tn.gov/content/tn/education/career-and-technical-education/work-based-learning.html .
Available Student Industry Certifications:	Students are encouraged to demonstrate mastery of knowledge and skills learned in this course by earning the appropriate, aligned department-promoted industry certifications. Access the promoted list here for more information.
Dual Credit or Dual Enrollment Opportunities:	A statewide dual credit challenge examination exists for this course for students to earn dual credit at Tennessee public postsecondary institutions that offer agriculture. For more information, please visit https://www.tn.gov/content/tn/education/early-postsecondary.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/career-and-technical-education/career-clusters/cte-cluster-agriculture-food-natural-resources.html

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.

Program of Study Application

This is the fourth and final course in the *Agribusiness* program of study. For more information on the benefits and requirements of implementing this program in full, please visit the Agriculture, Food and Natural Resources website at <https://www.tn.gov/education/career-and-technical-education/career-clusters/cte-cluster-agriculture-food-natural-resources.html>.

Course Standards

History and Evolution of Agribusiness

- 1) 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.
- 2) Evaluate local job postings and 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.
- 3) Compare and contrast different business and ownership models of agribusinesses (such as 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.

Saving, Investing, and Financing

- 4) 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.
- 5) 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.
- 6) Compare and contrast the differences between personal, business, and farm financing, including but not limited to sources, terms, and available risk management strategies.

Recordkeeping and Accounting

- 7) Distinguish between bookkeeping and accounting. Justify the need for organized recordkeeping processes as an integral part of a comprehensive management system.
- 8) Analyze needed structure and objects (such as charts and graphs) to convey particular meaning or draw conclusions from a spreadsheet dataset to make sound data analysis.
 - a) Create charts and graphs that summarize appropriate data series, including differentiating between rows and columns in source data
 - b) Format charts and graphs by modifying legends, sizes, parameters, layouts and styles and positioning
 - c) Insert and format an object (such as a textbox, SmartArt or image) and format its border, positioning, properties, styles and effects and colors
- 9) Recommend the components of a business plan for different agricultural enterprises. Demonstrate the ability to prepare basic personal and business records, including budgets, income statements, balance sheets, cash flow statements, profit and loss statements, and equity statements.
- 10) Evaluate different recordkeeping or accounting platforms to recommend the best platform for a specific financial strategy.
- 11) 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.
- 12) 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
 - e) Estimating simple and compound interest
- 13) Explain the relationships between depreciation, taxation, and insurance records as being part of a sound personal and business strategy.

Consumer Finance

- 14) Examine personal and business records using specific responsible personal finance practices to recommend basic financial management and financial security tips.
- 15) Examine essential principles of consumer finance by summarizing common banking procedures and services, including establishment of personal and operating accounts. Compare and contrast costs and benefits of financial services based on personal characteristics, wealth, debt, and risk management.

Economics of Agribusiness

- 16) Explain how economic principles apply to agribusiness, including macro versus micro systems, factors and effects of competition, inflation, pricing, and supply and demand relationships.
- 17) Analyze the role of government in setting monetary, fiscal, and taxation policies that affect the operations of agriculture businesses.
- 18) Assess the global impact of American commodities on world food markets. Compare and contrast the impact foreign trade laws affect supply and demand in Tennessee, the United States, and the world economies.

Business Planning and Management

- 19) 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.
- 20) 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, and
 - h) needed facilities and equipment.
- 21) Evaluate and recommend the appropriate managerial skills needed to effectively manage various sizes of agriculture-related business from a family operation to a cooperative business.
- 22) 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: [Supervised Agricultural Experience](#): All Agriculture students are encouraged to participate in a Supervised Agricultural Experience program to practice and demonstrate the knowledge and skills learned in their agriculture courses.
- AFNR: [National Agriculture, Food, & Natural Resources \(AFNR\) Career Cluster Content Standards](#): 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 [Framework for 21st Century Learning](#)
 - 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.