



EXAM INFORMATION

Items

69

Points

69

Prerequisites

ANY ENTRY-LEVEL AGRICULTURE CLASS

Grade Level

11-12

Course Length

ONE YEAR

Career Cluster

AGRICULTURE, FOOD AND NATURAL RESOURCES

Performance Standards

INCLUDED

Certificate Available

YES

DESCRIPTION

Students must demonstrate knowledge and skills needed to manage an agricultural business, including economic business principles and structures, business enterprise analysis, accounting, taxes, insurance, productivity, financing, capital resources, purchasing, government programs, commodity groups, contracts, estate planning, marketing, selling techniques, and the application of computer technology in agricultural business.

EXAM BLUEPRINT

STANDARD	PERCENTAGE OF EXAM
1- Agricultural Business and Management (Optional)	
2- Leadership in Agricultural Education	1%
3- Agricultural Programs	1%
4- Economic Principles	14%
5- Planning and Management Principles	12%
6- Financial Concepts in Business Management	15%
7- Legal Requirements and How to Comply	29%
8- Marketing Principles	19%
9- Computer Application Skills	9%



STANDARD 1 (Optional)

STUDENTS WILL DESCRIBE THE ROLE OF AGRICULTURAL EDUCATION IN AGRICULTURAL BUSINESS AND MANAGEMENT

- Objective 1** Examine the nature of agricultural education as related to agricultural business and management.
1. Review program components and expectations of agricultural education, including classroom and laboratory instruction, supervised agricultural experience.
 2. Plan individual education and career goals through agricultural education classes.
- Objective 2** Investigate the importance of agricultural business and management and the available career opportunities.
1. Explain the meaning and importance of agricultural business and management.
 2. Identify and describe career opportunities in agricultural business and management.

STANDARD 2

STUDENTS WILL DEVELOP PERSONAL, LEADERSHIP, AND CAREER SKILLS THROUGH STUDENT ORGANIZATION PARTICIPATION

- Objective 1** Assess the role of student organization participation in developing personal and leadership skills.
1. Identify important personal skills and the strategies to use in developing the skills.
 2. Identify important leadership skills and the role of student organization participation in developing the skills.
 3. Use principles of parliamentary procedure to carry out a business meeting.
- Objective 2** Assess the role of student organization participation in developing career skills.
1. List and describe proficiency awards appropriate in agricultural business and management.
 2. List and describe career development events appropriate in agricultural business and management.
 3. Relate the importance of supervised agricultural experience to student organization advancement.
 4. Utilize student organizations and supervised agricultural experience participation to gain advanced degrees of student organization membership.

Standard 2 Performance Evaluation included below (Optional)

STANDARD 3

STUDENTS WILL EXPLAIN THE MAINTENANCE AND EXPANSION OF SUPERVISED AGRICULTURAL PROGRAMS

- Objective 1** Maintain and use agricultural experience records.
1. Explain how agricultural experience records are maintained from year to year.
 2. Explain how to summarize and analyze agricultural experience records.
- Objective 2** Devise long-range plans for expanding agricultural experience programs.
1. Evaluate the overall quality of a current agricultural experience and determine how to make it more productive or profitable.



2. Explain factors that should be considered in expanding an agricultural experience program.
3. Explain how placement and ownership agricultural experience programs may be expanded.

Standard 3 Performance Evaluation included below (Optional)

STANDARD 4

STUDENTS WILL EXPLAIN ECONOMIC PRINCIPLES USED IN ESTABLISHING AND MANAGING AGRICULTURAL BUSINESSES

- Objective 1** Discuss the meaning and importance of economic systems.
1. Compare and contrast economic systems, including capitalism and socialism.
 2. Identify and explain types of agricultural business ownership in a capitalistic economic system, including sole proprietorship, partnership, and corporation.
- Objective 2** Apply principles of entrepreneurship in agricultural business.
1. Describe the meaning and importance of entrepreneurship.
 2. Discuss the characteristics of entrepreneurship, including opportunity and risk analysis.
 3. Discuss the benefits of a cooperative.
 4. Relate the meaning and role of international agricultural business activity in planning and establishing an agricultural business.

Standard 4 Performance Evaluation included below (Optional)

STANDARD 5

STUDENTS WILL SELECT APPROPRIATE PLANNING AND MANAGEMENT PRINCIPLES FOR AN AGRICULTURAL BUSINESS ENTERPRISE

- Objective 1** Compose a business plan for an agricultural business.
1. Identify the components of a business plan and explain how to develop each component.
 2. Use the SMART (specific, measurable, attainable, realistic, and timely) format in developing a business plan.
- Objective 2** Explain management concepts for an agricultural business.
1. List and explain management functions in agricultural business.
 2. Discuss the meaning and importance of ethics in agricultural business management.

Standard 5 Performance Evaluation included below (Optional)

STANDARD 6

STUDENTS WILL APPLY FINANCIAL CONCEPTS IN AGRICULTURAL BUSINESS MANAGEMENT

- Objective 1** Use accounting fundamentals to accomplish dependable bookkeeping and fiscal management.



1. Identify financial concepts associated with production and profit, including depreciation, credit, interest, and fixed and variable costs.
2. Discuss the time value of money.

Objective 2

Establish and maintain appropriate records for an agricultural business.

1. Select and implement appropriate record systems, including computer-based systems.
2. Enter appropriate financial and other record information.
3. Prepare needed financial reports.
4. Interpret financial reports to create net-worth, cash flow, and income statements.
5. Prepare and use budgets and financial ratios in agricultural business management.
6. Use financial statements in making agricultural business decisions.

Objective 3

Identify needed tax and other reporting documents.

1. Explain the meaning and importance of proper reporting of federal and state income tax information.
2. Discuss the assessment of property taxes, including real and personal property.
3. Describe the meaning of sales tax and calculate taxes on sales.

Standard 6 Performance Evaluation included below (Optional)

STANDARD 7

STUDENTS WILL IDENTIFY LEGAL REQUIREMENTS AND EXPLAIN HOW TO COMPLY WITH THEM

Objective 1

Relate applicable laws for an agricultural business enterprise.

1. Explain the meaning of agricultural law and identify relevant agricultural laws and regulations of federal, state, and local governments.
2. Discuss the meaning and use of deeds, lease agreements, and other documents.
3. Describe the rights and responsibilities of property owners.
4. Read and interpret contracts.
5. Apply employment laws and regulations.

Objective 2

Discuss the role of insurance in an agricultural business.

1. Explain the meaning and importance of insurance.
2. Identify insurance appropriate for a particular agricultural business enterprise.

STANDARD 8

STUDENTS WILL APPLY GENERAL ACCEPTED MARKETING PRINCIPLES TO ACCOMPLISH AGRICULTURAL BUSINESS OBJECTIVES

Objective 1

Assess marketing practices and alternatives with agricultural products.

1. Investigate the meaning and methods of marketing agricultural commodities, supplies and services, and products.
2. Identify and describe functions in the agricultural marketing process.
3. Explain the role of consumers and buying trends in the marketing process.
4. Review services provided by USDA Agricultural Marketing Service

Objective 2

Develop a marketing plan for an agricultural business.



1. Explain the purpose, components, and developmental processes used in preparing marketing plans.
2. Describe the meaning and importance of market analysis, including competitors, customers, and rules and regulations.
3. Discuss the meaning and use of market trading, including cash and futures markets, options, and hedging.

Objective 3 Use appropriate promotion methods as related to an agricultural business.

1. Explain the meaning and importance of promotion.
2. Describe the meaning, use, and benefits of advertising.
3. Explain the meaning of personal selling and the importance of customer relations.
4. Identify strategies in the six-step sales process: pre-approach, approach, presentation, handling objections, closing, and follow-up.
5. Utilize product information in the promotion process, including labels, approved uses, and prices.

Objective 4 Understand how agricultural businesses make pricing decisions.

1. Identify goals for pricing: profit, market share and competition.
2. Identify factors affecting a business's price: supply and demand, perceived value, costs & expenses (profit margin), competition.
3. Explain the economic principle of break-even point

Standard 8 Performance Evaluation included below (Optional)

STANDARD 9

STUDENTS WILL DEMONSTRATE THE USE OF COMPUTER APPLICATIONS SKILLS

Objective 1 Use computer applications in agricultural business management.

1. Integrate information technology in the agricultural business for decision-making and office management.
2. Perform business operations using database, word-processing, and spreadsheet software.

Objective 2 Investigate computer applications in marketing and product promotion.

1. Identify advantages and disadvantages of Web sites and other applications.
2. Investigate the characteristics of an effective Web site and the costs associated with the implementation and maintenance of a Web site.

Standard 9 Performance Evaluation included below (Optional)



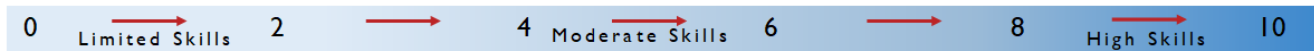
Agricultural Business and Management Performance Standards (Optional)

Performance assessments may be completed and evaluated at any time during the course. The following performance skills are to be used in connection with the associated standards and exam. To pass the performance standard the student must attain a performance standard average of **8 or higher** on the rating scale. Students may be encouraged to repeat the objectives until they average **8 or higher**.

Students Name _____

Class _____

PERFORMANCE RATING SCALE



STANDARD 2 Leadership in Agricultural Education

Score:

- Attend an student organization meeting (optional)
- Develop short and long-range leadership and personal development goals

STANDARD 3 Agricultural Programs

Score:

- Students will use the approved record book to record financial transactions and activities in agricultural experience.
- Prepare and plan for a long-term agricultural experience.

STANDARD 4 Economic Principles

Score:

- Analyze and Compare the advantages and disadvantages of these basic ownership structures:
 - Cooperative
 - Corporate
 - Single Proprietorship
 - Partnership
- Research and debate different management strategies and techniques

STANDARD 5 Planning and Management Principles

Score:

- Analyze and interpret questions of ethics

STANDARD 6 Financial Concepts

Score:

- Determine tax obligations for an agribusiness
- Make management decisions based on financial and production records
- Analyze and compare credit sources and types, calculate repayment ability, and costs of credit



STANDARD 8 Marketing Principles

Score

- Design a marketing plan for an agricultural product or service

STANDARD 9 Computer Application Skills

Score:

- Perform business operations using databases, word processing, and spreadsheet software

PERFORMANCE STANDARD AVERAGE SCORE: