

# Agricultural Business and Finance

<b>Primary Career Cluster:</b>	Agriculture, Food and Natural Resources
<b>Consultant:</b>	Steven Gass, (615) 532-2847, <a href="mailto:Steven.Gass@tn.gov">Steven.Gass@tn.gov</a>
<b>Course Code(s):</b>	5943
<b>Prerequisite(s):</b>	<i>Organizational Leadership and Communications</i> (5956)
<b>Credit:</b>	1
<b>Grade Level:</b>	12
<b>Graduation Requirements:</b>	This course satisfies one of three credits required for an elective focus when taken in conjunction with other Agriculture courses. In addition, this course satisfies the <i>Personal Finance</i> requirement for graduation.
<b>Programs of Study and Sequence:</b>	This is the fourth and final course in the <i>Agribusiness</i> program of study.
<b>Aligned Student Organization(s):</b>	FFA: <a href="http://www.tnffa.org">http://www.tnffa.org</a> Stena Meadows, East Tennessee FFA Consultant, (423) 414-8669, <a href="mailto:Stena.Meadows@tn.gov">Stena.Meadows@tn.gov</a> Courtney Halfacre, Middle Tennessee FFA Consultant, (615) 253-5207, <a href="mailto:Courtney.Halfacre@tn.gov">Courtney.Halfacre@tn.gov</a> Stuart Watson, West Tennessee FFA Consultant, (731) 431-1183, <a href="mailto:Stuart.Watson@tn.gov">Stuart.Watson@tn.gov</a>
<b>Coordinating Work-Based Learning:</b>	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 <a href="https://tn.gov/education/topic/work-based-learning">https://tn.gov/education/topic/work-based-learning</a> .
<b>Available Student Industry Certifications:</b>	None
<b>Dual Credit or Dual Enrollment Opportunities:</b>	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 <a href="http://www.tn.gov/education/opca/">http://www.tn.gov/education/opca/</a> .
<b>Teacher Endorsement(s):</b>	048, 150, 448
<b>Required Teacher Certifications/Training:</b>	Teachers must attend the state approved training to teach personal finance for this course to satisfy the personal finance requirement.
<b>Teacher Resources:</b>	<a href="https://tn.gov/education/article/cte-cluster-agriculture-food-natural-resources">https://tn.gov/education/article/cte-cluster-agriculture-food-natural-resources</a>

## 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://tn.gov/education/article/cte-cluster-agriculture-food-natural-resources>.

## **Course Standards**

### **History and Evolution of Agribusiness**

- 1) Explore the evolution of agribusiness in the United States by describing the modern agribusiness sectors and identifying historical milestones impacting their development. Using local job postings and labor and workforce data, research occupations in agribusiness and management, and identify the knowledge, skills, and abilities necessary for employment.
- 2) Write an informative essay that compares and contrasts 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, citing specific evidence from news articles or government publications.
- 3) Demonstrate the ability to prepare basic personal and business records to complete taxes, employment and SAE related applications, including resume, budgets, income statements, balance sheets, cash flow statements, profit and loss statements, and equity statements.

### **Saving, Investing, and Financing**

- 4) Examine different forms of saving, investing, and financing by researching available financial services at banks, credit unions, and savings and loans. Justify a selected financial service option for a specific personal and/or agribusiness use by developing a claim and supporting it with reasoning and evidence pulled from the financial institution.)
- 5) Apply principles of consumer finance, savings, investing, and loans to develop personal and agribusiness budgets.
- 6) Using visual representations and mathematical equations, compare and contrast the differences between personal, business, and farm financing, including but not limited to sources, terms, and available risk management strategies (such as insurance, investments, and commodity trading). Using quantitative reasoning and appropriate units, calculate simple and compound interest for a given financing option.

## **Recordkeeping and Accounting**

- 7) Articulate the components of a business plan, and research exemplars from national or local companies. 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.
- 8) Differentiate between bookkeeping and accounting. Justify the need for organized recordkeeping processes as an integral part of a comprehensive management system.
- 9) 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
  - e. Estimating simple and compound interest
- 10) Consult technical texts to research and generate connections regarding the relationships between depreciation, taxation, and insurance.

## **Consumer Finance**

- 11) Craft an argumentative essay that makes a claim about the importance of a specific responsible personal finance practice in agribusiness. Develop claim(s) and counterclaim(s) fairly with reasoning and evidence about the factors impacting credit and income. Include basic financial management and financial security tips.
- 12) 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**

- 13) Explain how economic principles apply to agribusiness, including macro versus micro systems, factors and effects of competition, inflation, pricing, and supply and demand relationships.
- 14) Analyze the role of government in setting monetary, fiscal, and taxation policies that affect the operations of agriculture businesses, including the sale of farm commodities. Investigate specific crops and discuss how economic policies set by the government impact the pricing and sale of a commodity, citing evidence from legislation and news articles. Determine the impact such policies have on consumers and producers.
- 15) Assess the global impact of American commodities on world food markets. Select a commodity produced in America and research foreign trade laws governing its sale. Make a

claim about how these laws affect supply and demand in world economies, developing claim(s) and counterclaim(s) with reasoning and evidence from governmental agencies, non-profits, and news articles.

## **Business Planning and Management**

- 16) 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.
- 17) Develop 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.
- 18) Analyze case studies to illuminate the specific challenges of running an agriculture-related business. Determine the role that effective managerial skills play in an agribusiness venture to hypothesize the appropriate managerial skills for a variety of operational issues.
- 19) Summarize the history of agriculture-related policy development at the state and national levels. Research and identify major regulatory agencies and outline the principle policies governing modern agribusinesses, citing evidence from specific legislation. Compose an argumentative essay to make a claim supporting or opposing a specific government regulation in agriculture.

## **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.