

Foundational Principles of Farm Business Management:
A Study Guide and Resources for Agricultural Education
Students and Teachers



May, 2019

Acknowledgements

We express our gratitude to the United States Department of Agriculture Benchmarking Project for providing the resources used to conduct this development project. It is our anticipation that secondary and postsecondary agricultural, food and natural resources faculty and students may use the materials for tailoring a personalized study of the foundations of farm and ranch business management education principles and practices. Likewise, we hope that early career agri-industry employees and farmers and ranchers find the resources useful in guiding their personalized studies.

Developed By

Richard Joerger, DelRay Lecy, and Ron Dvergsten

USDA Benchmarking Project

Northland Community and Technical College

Thief River Falls MN

June, 2015

Edited and Updated By

DelRay Lecy

May, 2019

Table of Contents I

Acknowledgements.....	1
Table of Contents.....	2
Introduction.....	3
Nature of the Self Study Curricula and Related Instructional Resources.....	4
Strategies for Using the Materials.....	4
Other Considerations for the Use of this Document.....	5
Foundational Farm Business Management Topics and Learning Resources	6
Overview of Farm Business Management.....	7
Decision-making, the Manager, and the Management Cycle – All Keys to Success.....	8
Goal Setting	9
Record Keeping / Accounting.....	10
The Balance Sheet.....	11
The Income Statement	13
Financial Analysis.....	15
Enterprise Analysis	16
Economic Principles – Foundational Concepts	17
Benchmarking Farm Data.....	18
Short term planning.....	19
Long term planning.....	20
Risk Management	22
Tax Management	23
Business Organization	24

Part I

Introduction

Part I provides introductory and background information as well as strategies to effectively use the curricular materials provided in Part II.

Foundational Principles of Farm Business Management
A Study Guide and Resources for Agricultural Education Students and Teachers

Nature of the Self Study Curricula and Related Instructional Resources

The core of this document is a study guide which can be followed for learning the foundational principles and practices which inform the management of a farm or ranch business. The intent of the material -- with the major units and topics, objectives/outcomes and instructional resources -- is to provide the learner with a broad-based awareness and initial understanding of foundational farm (and ranch) business management concepts and practices.

This document also provides foundational resources for 15 key components of introductory instruction in farm and ranch business management. The selected topics are consistent with instruction found in three farm management books listed as references. In addition, the curricula and materials support the component areas of the National FFA Career Development Events in Farm Business Management.

For each major topic of this study guide, you will also find sub-topics which guide instruction. See Topic 1 – An Overview of Farm Business Management. Resources for each topic and sub-topic are listed in two ways: electronic materials listed as “Web Resources” and hard copy materials listed as “Other Resources”. Each web link corresponds to the subject matter for each topic area. Learners are encouraged to review more than one link for further understanding of the concepts and practices. Corresponding chapters of included textbooks are noted. Papers and other documents which include related subject matter are also listed in the “Other Resource” section.

Strategies for Using the Materials

This document can be used as an individualized study guide and a source of instructional resources for a learner to use as they study the introductory and foundational underpinnings of farm business management. While the document presents many major topics and some sub-topics, it does not address all associated concepts for each major topic. Be assured, however, that additional study and applications using many of the included references will enable the individual learner to broaden and deepen their knowledge and skills of the foundational concepts and practices.

Other Considerations for the Use of this Document

This guide provides quality material for the motivated individual to gain *foundational* knowledge and skills in farm and ranch business management. When used in a group setting, this study guide will supplement existing curriculum and delivery in Farm Business Management instruction. When combined with topics and resources found in an existing curriculum, this guide can become a more comprehensive resource for individuals desiring to expand their farm business management knowledge and skills.

PART II

Foundational Farm Business Management Topics and Learning Resources

This section provides a listing of the curricular topics and sub-topics along with key online and text-based resources.

Topic 1: Overview of Farm Business Management		
Sub Topics		
1. Definition of farm & ranch business management	Web Resources	Agriculture Diary – What is Farm Management / Importance https://www.agriculturediary.com/what-is-farm-management-important-problem-of-farm-management/
	Other Resources	<u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6 th Edition), 2011, Chapter 1, page 1-2
2. Current and future farm & ranch business management considerations	Web Resources	
	Other Resources	<u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6 th Edition), 2011, Chapter 11 <u>Farm Management</u> , / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7 th Edition, 2012 – Chapter 1
3. Review of content and resource materials	Web Resources	
	Other Resources	<u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6 th Edition), 2011 <u>Farm Management</u> , / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7 th Edition, 2012
4. A strategy for completing a self study	Web Resources	<u>Purdue University - Farm Business Management in the 21st Century</u> Farmers as General Managers https://s3.amazonaws.com/assets.cce.cornell.edu/attachments/19138/Purdue-Farm-Business-Mgmt-for-the-21st-Century.pdf?1481658501 Farm and Family Connections: Balancing Work and Family https://ag.purdue.edu/agecon/PIFF/Documents/balancing_work_and_family.pdf
	Other Resources	
Outcomes: Define Farm and Ranch Business Management Reflect on current issues and potential future issues influencing business management Develop a plan for completing the materials included in this self-study course Reflect on current issues and potential future issues influencing business management		

Topic 2: Decision-making, the Manager, and the Management Cycle – All Keys to Success

Sub Topics		
1. Key Steps in decision making process	Web Resources	<p>Oklahoma State University – Extension Service - Farm Family Decision-Making http://factsheets.okstate.edu/documents/agec-213-farmers-in-transition-farm-family-decision-making/</p> <p>North Dakota State University - Information Used by Farmers for Decision Making (A Thesis Paper–1990), Larry Stearns http://www.ag.ndsu.edu/agecon/research-extension-centers/stearns-thesis.pdf</p> <p>Iowa State Ag Decision Maker - Making Family Business Decisions http://www.extension.iastate.edu/agdm/wholefarm/html/c4-72.html</p> <p>www.decide-guide.com – Your Information Guide to Decision Making, Models, Tools and Techniques http://www.decide-guide.com/</p>
	Other Resources	<p>Farm Management, / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7th Edition, 2012 – Chapter 2, page 26-29</p> <p>Economics of Farm Management in a Global Setting / Kent D. Olson, 2011, Chapter 2, page 18-22</p>
2. Characteristics of an effective farm & ranch business manager	Web Resources	<p>Purdue University, Center for Commercial Agriculture - Checking Your Farm Business Management Skills http://www.extension.purdue.edu/extmedia/ID/ID-237.pdf</p> <p>Farmers as Plant Managers and General Managers: Which hat do you wear? http://www.extension.purdue.edu/extmedia/ID/ID-236.pdf</p>
	Other Resources	<p>Economics of Farm Management in a Global Setting / Kent D. Olson, 2011, Chapter 2, page 14-17</p> <p>FMPL 1812 - Managers Role in Decision Making – Home Study Guide</p>
3. Functions of management: the farm & ranch business management cycle (plan, implement, control)	Web Resources	<p>Noble Institute – Management Functions are Essential to Successful Farm Businesses https://www.noble.org/news/publications/ag-news-and-views/2005/january/management-functions-are-essential-to-successful-farm-businesses/</p>
	Other Resources	<p>Farm Management, / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7th Edition, 2012 – Chapter 2, page 20-25</p> <p>Economics of Farm Management in a Global Setting / Kent D. Olson, 2011, Chapter 2, page 11-13</p>
4. General Farm Management Resources	Web Resources	<p>Ag Risk and Farm Management Library - Center for Farm Financial Management – University of Minnesota https://agrisk.umn.edu/library</p> <p>University of Minnesota Extension – Financial Management Series Factsheet https://www.cffm.umn.edu/Publications/pubs/FarmMgtTopics/FinancialManagementSeries.pdf</p> <p>University of Minnesota – Center for Farm Financial Management – Farm Management Publications https://www.cffm.umn.edu/publications/FarmMgtTopics.aspx</p>
<p>Outcomes: List the basic concepts of decision making Describe the functions of management in the Farm & Ranch management cycle</p>		

Topic 3: Goal Setting		
Sub Topics		
1. Definition of a goal	Web Resources	<u>Wikipedia - Goal</u> http://en.wikipedia.org/wiki/Goal <u>Iowa State Ag Decision Maker – Whole Farm Financial - Setting Personal, Family and Business Goals for Business Success</u> http://www.extension.iastate.edu/agdm/wholefarm/html/c6-42.html <u>Ag Risk and Farm Management Library – Virginia Cooperative Extension</u> What do goals mean to a business https://agrisk.umn.edu/Library/Record/what_do_goals_mean_to_a_business
	Other Resources	
2. Importance of goal setting	Web Resources	<u>Wikipedia – Goal Setting</u> http://en.wikipedia.org/wiki/Goal-setting <u>Oklahoma State University - Goal Setting for Farm and Ranch Families</u> http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Document-1674/F-244web.pdf
	Other Resources	
3. Developing measurable goals	Web Resources	<u>Lehigh University - Setting S.M.A.R.T. Goals</u> https://hr.lehigh.edu/sites/hr.lehigh.edu/files/GPS_GoalSetting_Handout_2013.pdf
	Other Resources	
4. Establishing short and long term goals	Web Resources	<u>University of Missouri – Farm Management - _Setting Farm and Family Goals</u> http://agebb.missouri.edu/mgt/settingfandfgoals.htm
	Other Resources	Thinking About Goals Activity Sheet Writing SMART Goals Guide Sheet Writing SMART Goals Activity Sheet
Outcomes: Demonstrate the difference between an effective and ineffective goal statement Identify the characteristics of effective goal statements Analyze short and long term goal statements for effectiveness		

Topic 4: Record Keeping / Accounting		
Sub Topics		
1. Reasons for keeping a complete set of records	Web Resources	<p><u>South Dakota State University – Record Keeping in Farm Management</u> https://openprairie.sdstate.edu/cgi/viewcontent.cgi?referer=&httpsredir=1&article=1178&context=extension_extra</p> <p><u>Iowa State Ag Decision Maker:- Using Financial & Production Records in Decision Making</u> http://www.extension.iastate.edu/agdm/wholefarm/html/c1-41.html</p> <p><u>University of Missouri - The Importance of Good Financial Record Keeping</u> http://extension.missouri.edu/henry/documents/newsreleases/Record%20Keeping.pdf</p>
	Other Resources	<p><u>Farm Management / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7th Edition, 2012 – Chapter 3, page 40-43</u></p> <p><u>Farm and Ranch Business Management: An Introduction to Sound Management Practices / DEERE & COMPANY, (6th Edition), 2011, Chapter 2, page 1-4</u></p> <p><u>FMDM 1812 - Introduction to Data Management Systems – Home Study Guide</u></p>
2. Developing a quality system	Web Resources	<p><u>University of Missouri – Farm Management: Establishing and Using a Farm Financial Record-Keeping System</u> http://www.extension.org/pages/11140/establishing-and-using-a-farm-financial-record-keeping-system</p> <p><u>Ag Risk and Farm Management Library - CFFM – Managing Farm Family Finances</u> https://agrisk.umn.edu/Library/Record/managing_farm_family_finances</p> <p><u>Oklahoma State University Organizing Household Records</u> http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Document-6675/T-4150web2013.pdf</p>
	Other Resources	<p><u>Farm Management / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7th Edition, 2012 – Chapter 3, page 43-45</u></p>
3. Accounting methods	Web Resources	<p><u>Iowa State University – Understanding Double Entry Accounting</u> https://www.extension.iastate.edu/agdm/wholefarm/html/c6-33.html</p>
	Other Resources	<p><u>Farm Management / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7th Edition, 2012 – Chapter 3, page 46-49</u></p> <p><u>Farm and Ranch Business Management: An Introduction to Sound Management Practices / DEERE & COMPANY, (6th Edition), 2011, Chapter 2, page 5-8</u></p>
4. Setting up a chart of accounts for a computerized system	Web Resources	<p><u>Iowa State Ag Decision Maker Evaluating Farm Accounting Software</u> http://www.extension.iastate.edu/agdm/wholefarm/html/c6-32.html</p> <p><u>Oklahoma State University Quicken for Farm and Ranch Financial Records</u> http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Document-1799/CR-324-2011.pdf</p>
	Other Resources	<p><u>FMDM 1813 - Accounting for System and Enterprise Planning – Home Study Guide</u></p>
5. Organizing a filing system	Web Resources	<p><u>Purdue University – Extension Service – Your Farm and Home Filing System</u> https://docs.lib.purdue.edu/cgi/viewcontent.cgi?referer=&httpsredir=1&article=1757&context=agext</p> <p><u>Home Your Way - Creating a File System That Works: The Ultimate Guide</u> http://home.yourway.net/creating-a-file-system-that-works-the-ultimate-guide/</p>
	Other Resources	
<p>Outcomes: Explain the importance of financial and enterprises records Recognize the information needed in an effective chart of accounts Assess the completeness of data recorded in an accounting system</p>		

Topic 5: The Balance Sheet		
Sub Topics		
1. Definition and purpose	Web Resources	<p><u>Ag Risk and Farm Management Library – CFFM - Developing your Financial Statements and Measures – Developing your Balance Sheet (video)</u> https://taatrain.cffm.umn.edu/DYFSAM/Default.aspx?SectionID=173 Interpreting Financial Statements and Measures (Workshop Series) – Balance Sheets http://ifsam.cffm.umn.edu/ <u>University of Minnesota Center for Farm Financial Management</u> Balance Sheet Instructions https://www.cffm.umn.edu/FINPACKkb/Pubs/Balance_Sheet_Instructions_Ag.pdf <u>Oklahoma State University - Developing a Balance Sheet</u> http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Document-1805/AGEC-752web2013.pdf <u>Kansas State University – AgManager Info - Balance Sheet: A Financial Management Tool</u> https://www.agmanager.info/farm-management-guides-0/balance-sheet-financial-management-tool</p>
	Other Resources	<p><u>Farm Management / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7th Edition, 2012 – Chapter 4, page 58-59</u> <u>Economics of Farm Management in a Global Setting / Kent D. Olson, 2011, Chapter 12</u></p>
2. Asset valuation	Web Resources	<p><u>Ag Risk and Farm Management Library – CFFM - Developing your Financial Statements and Measures – Developing your Balance Sheet (video)</u> https://taatrain.cffm.umn.edu/DYFSAM/Default.aspx?SectionID=173 Interpreting Financial Statements and Measures (Workshop Series) – Balance Sheets http://ifsam.cffm.umn.edu/ <u>Oklahoma State University - Developing a Balance Sheet</u> http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Document-1805/AGEC-752web2013.pdf <u>Iowa State Ag Decision Maker - Whole Farm Financial Statements – Your Net Worth Statement</u> http://www.extension.iastate.edu/agdm/wholefarm/html/c3-20.html</p>
	Other Resources	<p><u>Farm Management / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7th Edition, 2012 – Chapter 4, page 62-64</u> <u>Economics of Farm Management in a Global Setting / Kent D. Olson, 2011, Chapter 12</u></p>
3. Current assets	Web Resources	<p><u>Ag Risk and Farm Management Library – CFFM - Developing your Financial Statements and Measures – Developing your Balance Sheet (video)</u> https://taatrain.cffm.umn.edu/DYFSAM/Default.aspx?SectionID=173 Interpreting Financial Statements and Measures (Workshop Series) – Balance Sheets http://ifsam.cffm.umn.edu/ <u>Oklahoma State University - Developing a Balance Sheet</u> http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Document-1805/AGEC-752web2013.pdf</p>
	Other Resources	<p><u>Farm and Ranch Business Management: An Introduction to Sound Management Practices / DEERE & COMPANY, (6th Edition), 2011, Chapter 2, page 10</u></p>
4. Noncurrent assets a. Intermediate b. Long Term	Web Resources	<p><u>Ag Risk and Farm Management Library – CFFM - Developing your Financial Statements and Measures – Developing your Balance Sheet (video)</u> https://taatrain.cffm.umn.edu/DYFSAM/Default.aspx?SectionID=173 Interpreting Financial Statements and Measures (Workshop Series) – Balance Sheets http://ifsam.cffm.umn.edu/ <u>Oklahoma State University - Developing a Balance Sheet</u></p>

		http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Document-1805/AGEC-752web2013.pdf
	Other Resources	<u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6 th Edition), 2011, Chapter 2, page 11
5. Current liabilities	Web Resources	<u>Ag Risk and Farm Management Library – CFFM</u> - Developing your Financial Statements and Measures – Developing your Balance Sheet (video) https://taatrain.cffm.umn.edu/DYFSAM/Default.aspx?SectionID=173 Interpreting Financial Statements and Measures (Workshop Series) – Balance Sheets http://ifsam.cffm.umn.edu/ <u>Oklahoma State University</u> - Developing a Balance Sheet http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Document-1805/AGEC-752web2013.pdf
	Other Resources	<u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6 th Edition), 2011, Chapter 2, page 12
6. Noncurrent liabilities a. Intermediate b. Long Term	Web Resources	<u>Ag Risk and Farm Management Library – CFFM</u> - Developing your Financial Statements and Measures – Developing your Balance Sheet (video) https://taatrain.cffm.umn.edu/DYFSAM/Default.aspx?SectionID=173 <u>Oklahoma State University</u> - Developing a Balance Sheet http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Document-1805/AGEC-752web2013.pdf
	Other Resources	<u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6 th Edition), 2011, Chapter 2, page 13
7. Net worth / owner equity	Web Resources	<u>Ag Risk and Farm Management Library – CFFM</u> - Interpreting Financial Statements and Measures (Workshop Series) – Statement of Owners Equity http://ifsam.cffm.umn.edu/ <u>Oklahoma State University</u> - Developing a Balance Sheet http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Document-1805/AGEC-752web2013.pdf <u>Iowa State Ag Decision Maker</u> - Whole Farm Financial – Understanding Net Worth http://www.extension.iastate.edu/agdm/wholefarm/html/c3-19.html
	Other Resources	<u>Farm Management</u> / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7th Edition, 2012 – Chapter 4, page 65-68, 72 <u>Economics of Farm Management in a Global Setting</u> / Kent D. Olson, 2011, Chapter 12
8. Ratios / measures	Web Resources	<u>University of Minnesota – Center for Farm Financial Management – Farm Finance Scorecard</u> https://www.cffm.umn.edu/Publications/pubs/FarmMgtTopics/FarmFinanceScorecard.pdf
	Other Resources	<u>Farm Management</u> / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7th Edition, 2012 – Chapter 4, page 69-71 <u>Economics of Farm Management in a Global Setting</u> / Kent D. Olson, 2011, Chapter 13 <u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6 th Edition), 2011, Chapter 3, page 2-3

Outcomes:

Justify the basic categories of a balance sheet

Calculate a minimum of 6 key ratios on the balance sheet

Assess the status of a balance sheet using both actual numbers and ratios

Topic 6: The Income Statement

Topic 6: The Income Statement		
Sub Topics		
1. Definition and purpose	Web Resources	<p><u>Ag Risk and Farm Management Library – CFFM – Developing your Financial Statements and Measures – Developing your Income Statement (video)</u> https://taatrain.cffm.umn.edu/DYFSAM/Default.aspx?SectionID=173 Interpreting Financial Statements and Measures (Workshop Series) – Income Statement http://ifsam.cffm.umn.edu/ <u>Oklahoma State University - Developing an Income Statement</u> http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Document-1789/AGEC-753web2013.pdf <u>Iowa State Ag Decision Maker - Whole Farm Financial – Your Farm Income Statement</u> https://www.extension.iastate.edu/agdm/wholefarm/html/c3-25.html <u>Kansas State University – Ag Manager Info - Farm Management – Income Statement, a Financial Management Tool</u> https://www.bookstore.ksre.ksu.edu/pubs/mf294.pdf <u>Texas A&M AgriLife Extension Service – Income Statement a Financial Management Tool</u> https://agrisk.umn.edu/Library/Record/income_statement_a_financial_management_tool</p>
	Other Resources	<p><u>Farm Management / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7th Edition, 2012 – Chapter 5</u> <u>Economics of Farm Management in a Global Setting / Kent D. Olson, 2011, Chapter 12</u></p>
2. Types of income statements	Web Resources	<p><u>Iowa State Ag Decision Maker - Whole Farm Financial – Understanding Profitability</u> https://www.extension.iastate.edu/agdm/wholefarm/html/c3-24.html</p>
	Other Resources	<p><u>Farm and Ranch Business Management: An Introduction to Sound Management Practices / DEERE & COMPANY, (6th Edition), 2011, Chapter 2, page 14-17</u> <u>Farm Management / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7th Edition, 2012 – Chapter 5, page 84-87</u> <u>Economics of Farm Management in a Global Setting / Kent D. Olson, 2011, Chapter 12</u></p>
3. Income	Web Resources	<p><u>Ag Risk and Farm Management Library – CFFM – Developing your Financial Statements and Measures – Developing your Income Statement (video)</u> https://taatrain.cffm.umn.edu/DYFSAM/Default.aspx?SectionID=173 Interpreting Financial Statements and Measures (Workshop Series) – Income Statement http://ifsam.cffm.umn.edu/ <u>Oklahoma State University - Developing an Income Statement</u> http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Document-1789/AGEC-753web2013.pdf</p>
	Other Resources	<p><u>Farm Management / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7th Edition, 2012 – Chapter 5, page 78-80</u> <u>Economics of Farm Management in a Global Setting / Kent D. Olson, 2011, Chapter 12</u></p>
4. Expense	Web Resources	<p><u>Ag Risk and Farm Management Library – CFFM – Developing your Financial Statements and Measures – Developing your Income Statement (video)</u></p>

		https://taatrain.cffm.umn.edu/DYFSAM/Default.aspx?SectionID=173 Interpreting Financial Statements and Measures (Workshop Series) – Income Statement http://ifsam.cffm.umn.edu/ Oklahoma State University - Developing an Income Statement http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Document-1789/AGEC-753web2013.pdf
	Other Resources	<u>Farm Management</u> / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7th Edition, 2012 – Chapter 5, page 78-80 <u>Economics of Farm Management in a Global Setting</u> / Kent D. Olson, 2011, Chapter 12
5. Ratios / measures	Web Resources	<u>Iowa State Ag Decision Maker</u> - Whole Farm Financial – Understanding Profitability https://www.extension.iastate.edu/agdm/wholefarm/html/c3-24.html <u>Ag Risk and Farm Management Library</u> – CFFM – Interpreting Financial Statements and Measures (Workshop Series) – Calculating Ratios and Measures http://ifsam.cffm.umn.edu/
	Other Resources	<u>Farm Management</u> / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7th Edition, 2012 – Chapter 5, page 88-93 <u>Economics of Farm Management in a Global Setting</u> / Kent D. Olson, 2011, Chapter 12
Outcomes: Justify the basic categories of a income statement Calculate a minimum of 6 key ratios on the income statement Assess the status of a income statement using both actual numbers and ratios		

Topic 7: Financial Analysis

Sub Topics		
1. Concepts in Business Analysis	Web Resources	<p><u>Iowa State Ag Decision Maker</u> Whole Farm Financial Analysis http://www.extension.iastate.edu/agdm/wholefarm/html/c3-56.html Whole Farm Cost & Returns http://www.extension.iastate.edu/agdm/wdcostsreturns.html</p>
	Other Resources	<p><u>Farm Management</u>, / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7th Edition, 2012 – Chapter 6, page 102-104 <u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6th Edition), 2011, Chapter 3, page 1 <u>Economics of Farm Management in a Global Setting</u> / Kent D. Olson, 2011, Chapter 13</p>
2. Organizing data and supplemental information	Web Resources	<p><u>University of Minnesota Center for Farm Financial Management</u> FINAN Input Sheet - FINPACK https://www.cffm.umn.edu/FINPACKkb/Pubs/FINAN_Input_Form.pdf</p>
	Other Resources	<p><u>Economics of Farm Management in a Global Setting</u> / Kent D. Olson, 2011, Chapter 13, page 220 <u>FMDM1813 – Accounting for System & Enterprise Planning – Home Study Guide</u></p>
3. Analyzing farm data a. Income statement b. Balance sheet c. Interpreting ratios	Web Resources	<p><u>Purdue University, Center for Commercial Agriculture - Measuring & Analyzing Farm Financial Performance</u> https://ag.purdue.edu/agecon/ExtensionPrograms/finance/EC-712total.pdf <u>University of Minnesota Center for Farm Financial Management</u> Farm Finance Scorecard https://www.cffm.umn.edu/Publications/pubs/FarmMgtTopics/FarmFinanceScorecard.pdf <u>Interpreting Financial Statements and Measures (Workshop Series)</u> http://ifsam.cffm.umn.edu/ <u>Kansas State University – Ag Manager Info - Farm Management - Financial Ratios Used in Financial Management</u> https://www.bookstore.ksre.ksu.edu/pubs/mf270.pdf <u>University of Minnesota Extension – Ratios and measurement in farm finance</u> https://extension.umn.edu/farm-finance/ratios-and-measurements-farm-finance United States Department of Agriculture – Economic Research Service – Farm Sector Financial Ratios https://data.ers.usda.gov/reports.aspx?ID=17838</p>
	Other Resources	<p><u>Farm Management</u>, / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7th Edition, 2012 – Chapter 6, page 105-115 <u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6th Edition), 2011, Chapter 3, page 2-8 <u>Economics of Farm Management in a Global Setting</u> / Kent D. Olson, 2011, Chapter 13</p>

Outcomes:

Evaluate financial data to determine the accuracy level necessary for a quality financial analysis
 Identify key income and expense categories that impact the net return of the average farm business
 Formulate basic questions to address strengths and weaknesses of a business based on the 21 Farm Financial Guidelines and Ratios

Topic 8: Enterprise Analysis

Sub Topics		
1. Concepts in Enterprise Analysis	Web Resources	<u>Iowa State Ag Decision Maker – Planning for the Future with Enterprise Analysis</u> https://www.extension.iastate.edu/agdm/articles/others/SchDec12.html
	Other Resources	<u>Farm Management</u> , / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7 th Edition, 2012 – Chapter 18
2. Collecting enterprise data	Web Resources	<u>University of Minnesota Center for Farm Financial Management - FINAN with Enterprise Analysis Input Sheet - FINPACK</u> https://www.cffm.umn.edu/FINPACKkb/Pubs/FINAN_Enterprise_Analysis_Input_Form.pdf
	Other Resources	
3. Spreading expenses	Web Resources	
	Other Resources	<u>Farm Management</u> , / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7 th Edition, 2012 – Chapter 18 <u>Economics of Farm Management in a Global Setting</u> / Kent D. Olson, 2011, Chapter 15, page 262
4. Analyzing enterprise data a. Revenue b. Direct expense c. Allocated expense d. Management factors	Web Resources	
	Other Resources	<u>Farm Management</u> , / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7 th Edition, 2012 – Chapter 18 <u>FMEV1824 - Evaluating Productive Enterprises – Home Study Guide</u>

Outcomes:

Evaluate enterprise data to determine the accuracy level necessary for a quality enterprise analysis

Identify key income and expense categories that impact the net return of the average selected enterprises

Formulate basic questions to address strengths and weaknesses of an enterprise based on the management factors listed at the bottom of a FINPACK enterprise table

Topic 9: Economic Principles – Foundational Concepts

Sub Topics		
1. Basic Principles a. Production function b. Diminishing returns c. Marginal analysis d. Opportunity cost e. Break-even Analysis f. Time value of money	Web Resources	
	Other Resources	<u>Farm Management</u> , / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7 th Edition, 2012 – Chapter 7 <u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6 th Edition), 2011, Chapter 7 <u>Economics of Farm Management in a Global Setting</u> / Kent D. Olson, 2011, Chapter 14
2. Input- output relationships a. Input b. Output	Web Resources	
	Other Resources	<u>Farm Management</u> , / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7 th Edition, 2012 – Chapter 8 <u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6 th Edition), 2011, Chapter 5, page 2-4 <u>Economics of Farm Management in a Global Setting</u> / Kent D. Olson, 2011, Chapter 14
3. Cost Concepts	Web Resources	
	Other Resources	<u>Farm Management</u> , / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7 th Edition, 2012 – Chapter 9 <u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6 th Edition), 2011, Chapter 5, page 5-11 <u>Economics of Farm Management in a Global Setting</u> / Kent D. Olson, 2011, Chapter 14
<p>Outcomes: Demonstrate the maximum profit point using the concept of reducing marginal returns Explain the input-output relationships for a breakeven cost analysis Cite an example of opportunity costs in a business</p>		

Topic 10: Benchmarking Farm Data

Topic 10: Benchmarking Farm Data		
Sub Topics		
1. Importance of benchmarking	Web Resources	<p><u>Farm Financial Standards Council</u> - Farm Financial Guidelines and Ratios https://ffsc.org/index.php/guidelines/</p> <p><u>University of Illinois FarmdocDAILY</u> – What should My Farm Benchmark? https://farmdocdaily.illinois.edu/2018/09/what-should-my-farm-benchmark.html</p> <p><u>Association of Agricultural Production Executives (AAPEX)</u> - Cautions When Aggregating Financial Information for Benchmarking Comparisons http://www.associationofagriculturalproductionexecutives.org/Financial%20Benchmarks.html</p> <p><u>Lisa Jack</u> - Benchmarking in Food and Farming – Creating Sustainable Chang https://books.google.com/books/about/Benchmarking_in_Food_and_Farming.html?id=Zk_HGvNTG_6UC</p> <p><u>University of Illinois Farmdoc</u> - Financial Analysis http://www.farmdoc.illinois.edu/finance/analysis.html</p>
	Other Res.	
2. Historical farm & ranch data	Web Resources	<p><u>University of Minnesota Center for Farm Financial Management</u> - FINBIN – Farm Financial Database http://www.finbin.umn.edu/</p> <p><u>Minnesota State Colleges and Universities – AgCentric</u> - Farm Business Management (FBM) Education Programs – Annual Reports https://agcentric.org/what-we-do/education-training/farm-business-management/historic-reports/</p> <p><u>University of Illinois Farmdoc</u> Finance - Financial Benchmarks http://www.farmdoc.illinois.edu/finance/benchmarks.asp Management - Farm profitability benchmarks http://www.farmdoc.illinois.edu/manage/Subsect_search.asp?Type=Subsect&Subject=Farm_profitability_benchmarks</p>
	Other Res.	
3. Benchmarking options a. Local / region b. Statewide c. National d. Like businesses	Web Resources	<p><u>University of Minnesota Center for Farm Financial Management</u> - Farm Finance Scorecard http://www.cffm.umn.edu/Publications/pubs/FarmMgtTopics/FarmFinanceScorecard.pdf</p> <p><u>Oklahoma State University</u> Farm and Ranch Financial Trends Worksheet http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Document-1656/AGEC-238-2013.pdf Farm and Ranch Stress Test http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Document-1821/AGEC-237-2013.pdf</p> <p><u>University of Minnesota Center for Farm Financial Management</u> - FINBIN – Farm Financial Database http://www.finbin.umn.edu/</p> <p><u>Minnesota State Colleges and Universities – AgCentric</u> –FBM Reports: Quick Link https://agcentric.org/what-we-do/education-training/farm-business-management/2018-annual-reports/</p> <p><u>Iowa State Ag Decision Maker</u> - Whole Farm Financial Analysis - Selected Alternative Agricultural Financial Benchmarks http://www.extension.iastate.edu/agdm/wholefarm/html/c3-65.html</p>
	Other Res.	
<p>Outcomes: Describe options for benchmarking current year analysis data for the average business Recognize differences in analysis factors that significantly impact the financial status of a business Recognize differences in analysis factors that significantly impact the enterprise effectiveness of a business</p>		

Topic 11: Short Term Planning

Sub Topics		
1. Annual Cash Flow a. Definition and purpose b. Types of cash inflows c. Estimating cash inflows d. Types of cash outflows e. Estimating cash outflows f. Estimating credit needs g. Using enterprise budgets h. Establishing a cash flow plan	Web Resources	<p><u>Iowa State Ag Decision Maker</u> - Whole Farm Financial - 12 Steps to Cash Flow Budgeting https://www.extension.iastate.edu/agdm/wholefarm/html/c3-15.html</p> <p><u>University of Minnesota Center for Farm Financial Management</u> Interpreting Financial Statements and Measures (Workshop Series) – Statement of Cash Flows http://ifsam.cffm.umn.edu/</p> <p>FINPACK Annual Cash Flow Input Form https://www.cffm.umn.edu/FINPACKkb/Pubs/Annual_Plan_Input_Form.pdf</p> <p>FINPACK Livestock Budgets https://www.cffm.umn.edu/FINPACKkb/pubs/Lvstk_Budgets.pdf#</p> <p>FINPACK Crop Budget Input Form https://www.cffm.umn.edu/FINPACKkb/Pubs/Crop_Budgets.pdf</p> <p>FINPACK Livestock Budget Input Form https://www.cffm.umn.edu/FINPACKkb/pubs/Lvstk_Budgets.pdf#</p> <p><u>Oklahoma State University</u> Developing a Cash Flow Plan http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Document-1782/AGEC-751web2010.pdf</p> <p><u>Kansas State University – Ag Manager Info</u> - Farm Management – Finance – Cash Flow http://www.agmanager.info/farmmgmt/finance/statements_ratios/default.asp</p> <p><u>Ag Risk and Farm Management Library – CFFM</u> – Financial Planning https://agrisk.umn.edu/LibraryList/financial_management?c=financial_planning</p>
	Other Resources	<p><u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6th Edition), 2011, Chapter 4, page 14-21</p> <p><u>Farm Management</u>, / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7th Edition, 2012 – Chapter 10 & 13</p> <p><u>Economics of Farm Management in a Global Setting</u> / Kent D. Olson, 2011, Chapter 14, page 233-237, Chapter 15</p>
2. Partial Budget a. Definition and purpose b. Identifying additional costs & reduced returns c. Identifying additional returns & reduced costs d. Determining net gain or loss	Web Resources	<p><u>Iowa State Ag Decision Maker</u> – Costs & Returns - Partial Budgeting: A Tool to Analyze Farm Business Changes http://www.extension.iastate.edu/agdm/wholefarm/html/c1-50.html</p> <p><u>Ag Risk and Farm Management Library</u> - Colorado State University Extension https://agrisk.umn.edu/Library/Record/partial_budget_form</p>
	Other Resources	<p><u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6th Edition), 2011, Chapter 4, page 1-13 .</p> <p><u>Farm Management</u>, / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7th Edition, 2012 – Chapter 12</p> <p><u>Economics of Farm Management in a Global Setting</u> / Kent D. Olson, 2011, Chapter 16</p>
<p>Outcomes: Identify the key placeholders in an effective cash flow plan Assess the accuracy and opportunity for success of a given cash flow statement Explain the value of and interpret the results of a partial budget</p>		

Topic 12: Long Term Planning

Topic 12: Long Term Planning		
Sub Topics		
1. Business Plan a. Concepts in strategic planning b. Identifying current business issues/needs c. Establishing goals d. Other	Web Resources	<u>University of Minnesota Center for Farm Financial Management – Business Planning Training Materials</u> https://www.cffm.umn.edu/publications/BusinessPlanning.aspx AgPlan – Develop Your Own Business Plan http://www.cffm.umn.edu/products/AgPlan.aspx <u>Iowa State Ag Decision Maker - Whole Farm Strategic Planning</u> http://www.extension.iastate.edu/agdm/wdstrategicplanning.html <u>Purdue University - Business Planning Resources</u> https://ag.purdue.edu/commercialag/Pages/Resources.aspx?cat=BusinessPlanning <u>Ag Risk and Farm Management Library – CFFM – Writing a Business Plan</u> https://agrisk.umn.edu/Library/Record/writing_a_business_plan
	Other Resources	<u>Farm Management, / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7th Edition, 2012 – Chapter 11</u> <u>Economics of Farm Management in a Global Setting / Kent D. Olson, 2011, Chapter 3, 7, 8, 9, 17</u>
2. Succession Plan a. Concepts in succession planning b. Considerations in asset distribution c. Gifts, trusts, life insurance d. Taxes e. Other	Web Resources	<u>Iowa State Ag Decision Maker - Whole Farm - Transition and Estate Planning</u> http://www.extension.iastate.edu/agdm/wdbusiness.html <u>Purdue University - Farm Succession Planning</u> http://www.agecon.purdue.edu/commercialag/resources/succession/index.html <u>University of Minnesota Extension</u> <u>Transfer and Estate Planning</u> https://extension.umn.edu/business/transfer-and-estate-planning <u>Kansas State University – Ag Manager Info - Farm Management – Farm Business and Transition Planning</u> http://www.agmanager.info/finance-business-planning/farm-business-transition-planning <u>Transitions Network - Minnesota based – funded by National Risk Management Agency</u> http://farmtransitions.org/ <u>International Farm Transition Network - Iowa State – funded by Financial Industry Regulatory Authority (FINRA) Investor Education Foundation.</u> http://www.farmtransition.org/ <u>Ag Risk and Farm Management Library – CFFM – Legal Risk – Business Transfers</u> https://agrisk.umn.edu/LibraryList/farm_transition?c=asset_transfer
	Other Resources	<u>Farm Management, / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7th Edition, 2012 – Chapter 14. page 262-264</u> <u>Economics of Farm Management in a Global Setting / Kent D. Olson, 2011, Chapter 26</u>

Outcomes:

- Identify the key factors necessary in an effective business plan
- Assess the comprehensiveness of an average business plan
- Identify the key factors to consider in an effective succession plan
- Assess the comprehensiveness of an average succession plan

Topic 13: Risk Management		
Sub Topics		
1. Sources of risk in the business	Web Resources	<u>Ag Risk and Farm Management Library – CFFM</u> – Listing of types of Risk https://agrisk.umn.edu/library
	Other Resources	Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7 th Edition, 2012 – Chapter 15, page 268-269 <u>Economics of Farm Management in a Global Setting</u> / Kent D. Olson, 2011, Chapter 22, page 412
2. A risk assessment tool	Web Resources	<u>Iowa State Ag Decision Maker</u> – Crops – Outlook & Prices https://www.extension.iastate.edu/agdm/cdoutlook.html <u>University of Illinois Farmdoc</u> - Crop Insurance Calculator Tools http://www.farmdoc.illinois.edu/cropins/ Purdue University – Managing Farm Risk https://ag.purdue.edu/commercialag/farmrisk/
	Other Resources	Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7 th Edition, 2012 – Chapter 15, page 270-278 <u>Economics of Farm Management in a Global Setting</u> / Kent D. Olson, 2011, Chapter 22, page 413-417
3. Risk management products and/or options	Web Resources	<u>University of Missouri</u> – Farm Management - Risk Management Series http://agebb.missouri.edu/mgt/risk/index.php <u>CME Group – Chicago Board of Trade</u> - Agricultural Commodities Products – Education http://www.cmegroup.com/trading/agricultural/ <u>University of Illinois Farmdoc</u> Crop Insurance Calculator http://www.farmdoc.illinois.edu/cropins/
	Other Resources	Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7 th Edition, 2012 – Chapter 15, page 279-286 <u>Economics of Farm Management in a Global Setting</u> / Kent D. Olson, 2011, Chapter 22, page 418-433
4. Potential global market place implications	Web Resources	<u>Ag Risk and Farm Management Library – CFFM</u> – Listing of types of Risk https://agrisk.umn.edu/library <u>University of Illinois Farmdoc</u> – Marketing & Outlook http://www.farmdoc.illinois.edu/marketing/index.asp
	Other Resources	<u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6 th Edition), 2011, Chapter 11 <u>Economics of Farm Management in a Global Setting</u> / Kent D. Olson, 2011, Chapter 1
5. Marketing goals and strategies for a typical farm	Web Resources	<u>Kansas State University – Ag Manager Info</u> Livestock & Meat Marketing http://www.agmanager.info/livestock/marketing/default.asp Crops: Grain Marketing http://www.agmanager.info/grain-marketing <u>CME Group – Chicago Board of Trade</u> - Agricultural Commodities Products – Education http://www.cmegroup.com/trading/agricultural/ <u>Iowa State Ag Decision Maker</u> : Crop Marketing http://www.extension.iastate.edu/agdm/cdmarkets.html Livestock Marketing: http://www.extension.iastate.edu/agdm/ldmarkets.html Whole Farm – Other materials

		http://www.extension.iastate.edu/agdm/wdoother.html
	Other Resources	<u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6 th Edition), 2011, Chapter 6, page 12-17 <u>Economics of Farm Management in a Global Setting</u> / Kent D. Olson, 2011, Chapter 11
6. Insurance goals and strategies for a typical farm	Web Resources	<u>Ag Risk and Farm Management Library – CFFM – Production Risk – Insurance - Crop Insurance</u> https://agrisk.umn.edu/LibraryList/insurance?c=crop_insurance <u>University of Illinois Farmdoc – Crop Insurance Tools</u> http://www.farmdoc.illinois.edu/cropins/
	Other Resources	<u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6 th Edition), 2011, Chapter 10, page 8-18
7. Potential risk management plans	Web Resources	<u>Ag Risk and Farm Management Library – CFFM – Marketing Risk – Market Analysis & Prices - Marketing Plans</u> https://agrisk.umn.edu/LibraryList/market_analysis_prices?c=marketing_plans
	Other Resources	Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7 th Edition, 2012 – Chapter 20, 373-393 <u>Economics of Farm Management in a Global Setting</u> / Kent D. Olson, 2011, Chapter 11, page 158-162
<p>Outcomes: Compare and contrast sources of risk in a farm or ranch business Recommend risk management tool options for a given business situation Cite examples of global situations that impact a local business Identify key components of a marketing plan Assess completeness of an average risk management plan</p>		

Topic 14: Tax Management

Topic 14: Tax Management		
Sub Topics		
1. Objectives of tax management	Web Resources	<u>Ag Risk and Farm Management Library – CFFM – Legal Risk - Taxes</u> https://agrisk.umn.edu/LibraryList/taxes1
	Other Resources	<u>Farm Management</u> , / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7 th Edition, 2012 – Chapter 16, page 292-293 <u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6 th Edition), 2011, Chapter 8, page 1-4
2. Guidelines and timelines for farm income taxes	Web Resources	<u>Internal Revenue Service - Farmers Tax Guide (Publication 225)</u> http://www.irs.gov/uac/Publication-225,-Farmer's-Tax-Guide <u>Internal Revenue Service – Online</u> https://www.irs.gov/
	Other Resources	
3. Accounting Methods and tax estimation	Web Resources	<u>Internal Revenue Service - Farmers Tax Guide (Publication 225) – Chapter 2</u> http://www.irs.gov/uac/Publication-225,-Farmer's-Tax-Guide
	Other Resources	<u>Farm Management</u> , / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7 th Edition, 2012 – Chapter 16, page 293-296 <u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6 th Edition), 2011, Chapter 8, page 5-8
4. Ways to increase and ways to decrease taxable income	Web Resources	<u>About.com – Tax Planning: US – Tax Planning Basics</u> http://taxes.about.com/od/taxplanning/a/taxplanning.htm
	Other Resources	<u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6 th Edition), 2011, Chapter 8, page 11-13
5. Tax versus management depreciation implications	Web Resources	<u>Internal Revenue Service - Farmers Tax Guide (Publication 225) – Chapter 7</u> http://www.irs.gov/uac/Publication-225,-Farmer's-Tax-Guide
	Other Resources	<u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6 th Edition), 2011, Chapter 8, page 8-10
6. Tax management strategies	Web Resources	<u>University of Illinois Farmdoc – Law & Taxation - Yearend Farm Tax Planning Considerations</u> http://www.farmdoc.illinois.edu/legal/articles/ALTBs/ALTB_07-07/ALTB_07-07.pdf
	Other Resources	<u>Farm Management</u> , / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7 th Edition, 2012 – Chapter 16, page 297-299
Outcomes: Demonstrate the importance of tax planning for the average farm or ranch business Compare and contrast tax depreciation and management depreciation Recognize potential ways to increase or decrease taxable income for a given business		

Topic 15: Business Organization

Sub Topics		
1. Types of business organizations a. Sole Proprietor b. Partnership c. Corporation(s) d. LLC e. Other	Web Resources	<u>Ag Risk and Farm Management Library – CFFM – Legal Risk – Business Organization – library of documents</u> https://agrisk.umn.edu/LibraryList/legal_issues1?c=business_organization1 <u>About.com – US Business Law / Taxes - Legal Forms of Business Organization</u> http://biztaxlaw.about.com/od/businessorganizationtypes/f/solepropvsothers.htm
	Other Resources	<u>Farm Management</u> , / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7 th Edition, 2012 – Chapter 14, page 248-261 <u>Economics of Farm Management in a Global Setting</u> / Kent D. Olson, 2011, Chapter 25
2. Advantages and disadvantages of each type	Web Resources	<u>About.com – US Business Law / Taxes - What is the Difference between a Sole Prop, a Partnership, LLC, or a Corporation</u> http://biztaxlaw.about.com/od/businessorganizationtypes/f/solepropvsothers.htm
	Other Resources	<u>Farm Management</u> , / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7 th Edition, 2012 – Chapter 14, page 248-261 <u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6 th Edition), 2011, Chapter 9
3. Applications for each business organization	Web Resources	<u>Ag Risk and Farm Management Library – CFFM – Financial Risk – Strategic & Business Planning - Business Entity Planning</u> https://agrisk.umn.edu/Library/Record/business_entity_planning
	Other Resources	<u>Farm Management</u> , / Ronald D. Kay, William M. Edwards, Patricia A. Duffy, 7 th Edition, 2012 – Chapter 14, page 248-261 <u>Farm and Ranch Business Management: An Introduction to Sound Management Practices</u> / DEERE & COMPANY, (6 th Edition), 2011, Chapter 9
<p>Outcomes: Explain the primary intent of each type of business organization Interpret the advantages and disadvantages of the type of business organization for a given farm or ranch business Consider alternative business organizations for a given business</p>		