

# 2026 AGRIBUSINESS

## Program Standards

### CONTENT STANDARD 1.0: PROFESSIONAL ORGANIZATIONS AND LEADERSHIP

#### Performance Standard 1.1: Student Leadership in Career Technical Student Organizations (CTSO) and Professional Associations

- 1.1.1 Explore the role of professional organizations and/or associations in the agricultural business industry.
- 1.1.2 Define the values, roles, and opportunities provided through career technical student organizations.
- 1.1.3 Engage in career exploration and leadership development.

#### Performance Standard 1.2: Supervised Agricultural Experience

- 1.2.1 Maintain SAE record books.
- 1.2.2 Describe the proficiency award areas related to the SAE program area.
- 1.2.3 Describe necessary steps to receive higher degrees in FFA.

### CONTENT STANDARD 2.0: AGRICULTURE FUNDAMENTALS

#### Performance Standard 2.1: Plant Science

- 2.1.1 Identify plant vegetative and reproductive structures.
- 2.1.2 Describe basic principles, processes and functions of plant growth and reproduction, including photosynthesis, respiration, transpiration, vegetative growth and reproductive growth, fertilization and fruit formation.
- 2.1.3 Describe how the environment influences plant growth and crop yields and ways to modify the environment to improve plant quality and yield.
- 2.1.4 Describe the importance of agronomic crop plants to global society.
- 2.1.5 Analyze solutions to problems related to plant growth, crop production, and natural resource management.
- 2.1.6 Describe advancements in plant and soil science technologies and their impact on Good Agricultural Practices (GAP) and sustainability.
- 2.1.7 Identify agronomic markets and distribution.

#### Performance Standard 2.2: Animal Science

- 2.2.1 Identify types and breeds of various livestock species.
- 2.2.2 Describe anatomy and physiology of livestock relating to reproduction, digestion and absorption of nutrients, and endocrine function.
- 2.2.3 Describe grading and selection of livestock according to current industry standards.
- 2.2.4 Determine best practices in animal health and sanitation, animal welfare, housing, disease prevention, and care.
- 2.2.5 Describe breeding and genetics of livestock.
- 2.2.6 Describe feeds and feeding of livestock and identify essential nutrients and feed sources.
- 2.2.7 Describe the food and fiber contributions of animals, including milk, meat, eggs, and wool.
- 2.2.8 Identify livestock markets and distribution.

### CONTENT STANDARD 3.0: AGRICULTURE ECONOMIC PRINCIPLES

#### Performance Standard 3.1: Economic Principles of Agriculture Businesses and Agriculture

- 3.1.1 Define opportunity costs.
- 3.1.2 Compare world economic systems.
- 3.1.3 Compare complementary, competitive, and substitute products.
- 3.1.4 Differentiate between diversification and specialization.

- 3.1.5 Evaluate how fiscal and monetary policy (e.g., Federal Reserve, legislation, taxation, global trade) impacts the agricultural industry.

**Performance Standard 3.2: Economic Factors Affecting Agriculture Business Management Decisions**

- 3.2.1 Describe price determination through the law of supply and demand.  
3.2.2 Describe the benefits of market competition.  
3.2.3 Compare the strategies and benefits of integration models: economies of scale and vertical integration.  
3.2.4 Analyze factors that influence price cycles.  
3.2.5 Describe elements of entrepreneurship and successful businesses, including comparative advantage, specialization, and trade.

**Performance Standard 3.3: Economic Decision-Making Tools to Increase Profitability**

- 3.3.1 Distinguish between fixed costs and variable costs.  
3.3.2 Define *break-even* and *substitution costs*.  
3.3.3 Apply marginal analysis in management decisions to maximize level of production.  
3.3.4 Describe the four factors of production (i.e., land, labor, capital, management) affecting agricultural production and agribusiness management decisions.  
3.3.5 Describe the law of diminishing returns and how it relates to costs, production, and return on investment (ROI).

**CONTENT STANDARD 4.0: BUSINESS PLANNING AND ENTREPRENEURSHIP**

**Performance Standard 4.1: Entrepreneurship Opportunities**

- 4.1.1 Evaluate the characteristics of successful entrepreneurship.  
4.1.2 Research venture start-up requirements and risks.  
4.1.3 Describe management styles (e.g., autocratic, democratic, visionary, bureaucratic).  
4.1.4 Compare types of ownership structures (e.g., sole proprietorship, partnership, limited liability company, corporation).  
4.1.5 Analyze the characteristics of cooperatives.

**Performance Standard 4.2: Business Planning**

- 4.2.1 Identify resources useful to entrepreneurs during concept development (e.g., USDA, Farm Service Agency, Small Business Administration, lender institutions).  
4.2.2 Develop a business plan, using SWOT analysis to include mission statement, risk management, time investment, financial investment, and capital investment needs.  
4.2.3 Evaluate the financial feasibility of a business plan.  
4.2.4 Define *return on investment* (ROI).  
4.2.5 Create specific, measurable, attainable, realistic, and timely (SMART) goals for an agricultural enterprise or product.

**CONTENT STANDARD 5.0: AGRICULTURE BUSINESS FINANCIAL CONCEPTS AND RECORDKEEPING SYSTEMS**

**Performance Standard 5.1: Accounting Fundamentals for Fiscal Management**

- 5.1.1 Compare cash-basis and accrual-basis accounting systems.  
5.1.2 Compare current and non-current liabilities and assets.  
5.1.3 Determine depreciation for a variety of inventory items.  
5.1.4 Describe fixed and variable costs for an agricultural enterprise.  
5.1.5 Describe financial ratios, including solvency, liquidity, and profitability.

**Performance Standard 5.2: Financial Statement Analysis**

- 5.2.1 Describe the components and function of financial statements (e.g., balance sheets, income statements, cash flow statements).  
5.2.2 Create a balance sheet for an agricultural enterprise.  
5.2.3 Create an income statement for an agricultural enterprise.  
5.2.4 Create a cash flow statement for an agricultural enterprise.  
5.2.5 Complete a cost-benefit analysis for an agricultural enterprise.

### Performance Standard 5.3: Agricultural Budgets

- 5.3.1 Describe the basic principles of budgeting.
- 5.3.2 Apply enterprise, partial-farm, and whole-farm budgets to make business decisions.
- 5.3.3 Evaluate business performance in relation to budget projection.

### Performance Standard 5.4: Tax Management Strategies

- 5.4.1 Describe the purpose and importance of tax planning.
- 5.4.2 Describe how different business ownership types are taxed.
- 5.4.3 Identify different tax obligations (e.g., federal, state, local).
- 5.4.4 Distinguish between deductible and non-deductible expenses.
- 5.4.5 Describe depreciation methods and their effect on tax liability.
- 5.4.6 Determine sales tax for an agriculture enterprise.

## CONTENT STANDARD 6.0: CREDIT, LAW, AND RISK MANAGEMENT IN AGRICULTURE BUSINESS

### Performance Standard 6.1: Methods of Financial Risk Management

- 6.1.1 Define *risk management* in agricultural enterprises.
- 6.1.2 Describe the time value of money (i.e., present value, future value).
- 6.1.3 Differentiate between operating loans and long-term loans.
- 6.1.4 Describe factors that affect the cost of credit.
- 6.1.5 Calculate interest expense for amortized and equal principal loans.
- 6.1.6 Describe the use of collateral in securing credit.
- 6.1.7 Compare types of insurance (e.g., life, property, crop, health, liability) that help reduce financial risk.
- 6.1.8 Describe available government programs that reduce financial risk.
- 6.1.9 Compare leasing and purchasing real property.
- 6.1.10 Compare leasing and purchasing equipment.
- 6.1.11 Describe evaluating risk, reliability, and feasibility in contract development by applying the criteria of character, capital, capacity, conditions, collateral, and cashflow.

### Performance Standard 6.2: Risk Management in Commodity Marketing

- 6.2.1 Describe how cash markets can influence risk management decisions.
- 6.2.2 Research the role of futures in marketing decisions.
- 6.2.3 Describe how the futures market helps to manage risk.
- 6.2.4 Describe how forward contracting can reduce risk.
- 6.2.5 Analyze the effects of hedging and speculating of the futures market.

## CONTENT STANDARD 7.0: LAWS RELATED TO AGRICULTURE AND LANDOWNERS

### Performance Standard 7.1: Agricultural Contracts Law

- 7.1.1 Define *contract*.
- 7.1.2 Compare express and implied contracts.
- 7.1.3 List the four elements necessary for a contract (i.e. offer, acceptance, consideration, intention).
- 7.1.4 Identify fraudulent contracts.
- 7.1.5 Identify situations in which producers risk nonpayment for commodities.

### Performance Standard 7.2: Property Ownership, Transfer and Leasing

- 7.2.1 Compare advantages and disadvantages of different types of property leases for the landlord and the tenant (e.g., cash, rent, sharecropping).
- 7.2.2 Identify components of succession planning.
- 7.2.3 Define types of property (e.g., real, personal).
- 7.2.4 Describe certificates of ownership (e.g., deed, title, bills of sale).
- 7.2.5 Describe rights of ownership (e.g., rights-of-way, zoning, mineral, water, conservation easements).

### Performance Standard 7.3: Common Agricultural Laws

- 7.3.1 List sources of law and authoritative bodies (e.g., lawmaking, custom law, judges, administrative).

- 7.3.2 Describe an owner's liability by negligence.
- 7.3.3 Describe the three types of farm visitors (i.e., invitees, licensees, trespassers) and landowners' responsibilities concerning injury liability.
- 7.3.4 Describe the Doctrine of Attractive Nuisance.
- 7.3.5 Compare the three types of employees (i.e., employees, agents, independent contractors) and employer liabilities for the acts of each.
- 7.3.6 Analyze Idaho agricultural laws and regulations and their impact on production agriculture (e.g., brand law, open range, Right to Farm).

#### **CONTENT STANDARD 8.0: AGRICULTURAL MARKETING AND SALES PLANS**

##### **Performance Standard 8.1: Principles of Agricultural Marketing**

- 8.1.1 Analyze value-added concepts of marketing.
- 8.1.2 Describe the concept of utility in agricultural commodities.
- 8.1.3 Describe current industry trends in agriculture marketing.
- 8.1.4 Differentiate between marketing and sales.

##### **Performance Standard 8.2: Agricultural Market and Sales Analysis**

- 8.2.1 Analyze product/client status in the current market.
- 8.2.2 Analyze market research that impacts a customer's purchase decision.
- 8.2.3 Identify sources of product information and integrity of labels.
- 8.2.4 Research potential target markets for an agricultural enterprise or product.
- 8.2.5 Evaluate a marketing plan.

##### **Performance Standard 8.3: Agricultural Marketing Strategies and Action Plans**

- 8.3.1 Describe the importance of the four Ps of marketing (i.e., product, price, place, promotion).
- 8.3.2 Create a positioning statement with promotional tools for an agriculture product/client.
- 8.3.3 Compare pricing strategies (e.g., seasonal pricing, direct pricing, introductory pricing, bulk pricing).
- 8.3.4 Compare distribution channels.
- 8.3.5 Calculate the financial return of a marketing plan.

#### **CONTENT STANDARD 9.0: AGRICULTURAL SALES**

##### **Performance Standard 9.1: Agricultural Sales and Customer Relations**

- 9.1.1 Describe customer-oriented selling.
- 9.1.2 Identify personality traits of an effective salesperson.
- 9.1.3 Differentiate between employer and customer expectations of salespeople.
- 9.1.4 Describe the importance of good customer relations.
- 9.1.5 Describe follow-up strategies that ensure customer satisfaction after a sale.
- 9.1.6 Describe benefits of and techniques for handling customer complaints in a timely manner.

## **IDCTE Document Control Information**

### **Program Standard Revision: Agribusiness**

Date	Standard #	Original	Summary of Change	Revised By	Approved By