



### **I. OVERVIEW**

In the Farm Business Management CDE, students complete a multiple-choice test individually and a problem-solving activity as a team to demonstrate their understanding of business management practices.

### **II. PURPOSE**

The Farm Business Management CDE is designed to teach management skills and critical and analytical thinking. It encourages and fosters the education of students in business management.

### **III. ELIGIBILITY**

This event is open to students in grades 9-12 who are agricultural education students, and are paid members of a chartered FFA chapter. Each member of the team must be a member of the chapter registering them, and each student's name must appear on the chapter's FFA roster at least 10 days prior to competition above the chapter level. The Farm Business Management CDE is a four-member team, all four scores counting.

### **IV. SPECIAL NEEDS REQUEST**

To report any special needs or request special services for a student to compete in a Career Development Event or FFA Award area (Area or State level), it is the responsibility of the FFA advisor to provide a detailed and specific request and explanation in writing. Requests should include written documentation from the school system verifying the IEP and need being requested. Written requests must be submitted to the CDE Superintendent prior to registering for the CDE/event (at least 3 weeks prior to the date of competition).

### **IV. RULES**

1. The event is limited to one team per chapter at the area level.
2. The top two teams from each area will compete at the state level.
3. A team consists of four members, and all four scores are counted towards the total team score. All members may work together on the team problem solving activity.
4. It is recommended that students be in official dress as outlined in the Official FFA Manual.
5. Students should bring two, sharpened number two pencils and a calculator. The calculator may only have these functions: addition, subtraction, multiplication, division, equals percent, square root, +/- key and one memory register. No graphing or programmable calculator will be allowed.
6. Each team member will complete the multiple-choice test individually and there should be no communication of any kind between participants.
7. Only those concepts and references in the National FFA Career Development Handbook for Farm Business Management will be a part of the event. There is a time limit of three hours to complete the entire event. One hour and thirty minutes is given for each section.
8. Participants should follow instructions given by the event superintendent.
9. The State FFA Executive Committee and their appointees are in charge of this event. This event will follow the general procedures established for all Georgia FFA Career Development Events.



### V. EVENT FORMAT

#### A. Multiple Choice Test:

1. Participants will each complete a 50-question multiple-choice test.
2. Material for the test will come from the topics listed under the objectives section of the National FFA Career Development Event Handbook.
3. The test will be taken individually.
4. Participants will be allowed to use pencils, an acceptable calculator, and scratch paper during the exam.

#### B. Problem Solving Team Activity:

1. Once all team members have completed the multiple-choice exam, participants will, as a team, complete a series of 25 open-ended problems.
2. Teams will have 90 minutes to complete the problem-solving team activity.
3. The material for the problems will come from the same objectives from the National FFA Career Development Event Handbook, as did the material for the multiple-choice test.
4. Participants will be allowed to use pencils, an acceptable calculator, and scratch paper.

### VI. SCORING

1. Each team member's multiple-choice exam will be scored independently.
2. The multiple-choice questions are valued at six points each, for a perfect score of 300 and a perfect team score of 1200 on the test. The problem-solving activity is also valued at 300 for a perfect score with each of the problems worth 12 points. Teams may receive partial credit on the problem-solving activity.
3. The event will be scored out of a possible 1500 points; 1200 for three individual tests and 300 points for a team problem solving activity.
4. The top individual test scores will be recognized as the top individuals in the state event.
5. The four individual test scores for each team will be added together along with the score of the team problem-solving activity. The team with the highest score will be declared the winner.

### VII. TIE BREAKERS

Tiebreakers for individual rankings will be settled in the following order:

1. Individual with most correct answers on 10 pre-selected questions on the exam. The CDE superintendent will identify 10 questions to serve as tie-breakers prior to administering the exam.
2. Individual on the team with the highest problem-solving score.
3. Individual on the highest scoring team.

Tiebreakers for team rankings will be settled in the following order:

1. Sum of the four individual scores on the written test.
2. Team with the highest ranked student.

### VIII. AWARDS

Awards shall be determined each year by the Board of Trustees of the Georgia FFA Foundation. The event is made possible through the Georgia FFA Foundation as a special project of an industry sponsor or from the Foundation General Fund.

### IX. REFERENCES

**REVISED**

*This list of references is not intended to be all-inclusive.*



Other sources may be utilized, and teachers are encouraged to make use of the best instructional materials available. The following list contains references that may prove helpful during event preparation.

Numerous sources of materials exist, and participating teams should consult with their state's cooperative extension service, the colleges and universities teaching farm and ranch business management and other material services available to the participating school. For the most current listing of resources and definitions for economic terms, refer to the farm and agribusiness management CDE section of the national FFA website at [FFA.org](http://FFA.org).

#### PRIMARY

- Jobs, Steward, Casey and Purcell (2010). Farm and Ranch Business Management (latest edition). Deere & Company, John Deere Publishing, East Moline, Ill.61244. <http://www.deere.com/publications>
- Kay, Edwards and Duffy. Farm Management. McGraw-Hill Book Co., New York, N.Y. (most current edition).
- CDE NCQ, FFA.org. Examples of enterprise budgets and financial statements used in the CDE.

#### SECONDARY

- Boehlje and Eidman (1984). Farm Management. John Wiley and Sons, New York, N.Y.
- Bowers, Love and Kletke (1994). Machinery Replacement Strategies. Deere & Company, John Deere Publishing, East Moline, Ill.61244. Deere & Company. <http://www.deere.com>
- Dicks, Michael (1998). Agricultural Policy and How It Affects You, Deere & Company, John Deere Publishing, East Moline, Ill.61244.
- Oltmans, Klinefleter, and Frey (2001) Agricultural Financial Reporting and Analysis. Doane Agricultural Services, St. Louis, Mo.
- Purcell, Wayne D. (1995). Marketing Agricultural Commodities. Deere & Company, John Deere Publishing, East Moline, Ill.61244.
- Wilson, Purcell, Burton, and Wahlberg (1994). Managing Livestock Production. Deere & Company, John Deere Publishing, East Moline, Ill.61244.
- Wilson, Purcell, Burton, and Wahlberg (1994). Managing Agricultural Commodities. Deere & Company, John Deere Publishing, East Moline, Ill.61244



# Farm & Agribusiness Management

## Career Development Event

### TECHNICAL REFERENCES

- Farmers Tax Guide, published by the Department of the Treasury, Internal Revenue Service, can be obtained from the IRS Forms Distribution center in your state or the IRS website.  
<http://www.irs.gov/publications/p225/index.html>
- Farm Financial Standards Council, Financial Guidelines for Agriculture Producers, 1998.  
<http://www.ffsc.org/>
- Assorted educational materials are available on hedging, forward contracting and commodity futures trading from any of the following addresses.
  - Chicago Mercantile Exchange, 30 South Wacker Drive, Chicago, Ill.60604.  
<http://www.cmegroup.com>
  - Kansas City Board of Trade, 4800 West Main Street, Kansas City, Mo.64112.
  - New York Cotton Exchange, New York Mercantile Exchange Building, One North End Avenue, New York, N.Y.10282-1101.
  - New York Mercantile Exchange, Commodity Exchange Ctr., One North End Avenue, New York, N.Y.10282-1101.
- Doane Agricultural Services, Vance Publishing Corp., 77 Westport Plaza, #250, St. Louis, Mo.63416. Doane provides a variety of educational materials related to farm and ranch management.
- Cooperative Extension Service in your state. Contact your local extension agent for access to farm and ranch management educational materials.