

Minnesota Business, Marketing, and Information Technology Frameworks: Accounting and Finance Cluster



Accounting and Finance Cluster

The Accounting and Finance Cluster includes the study of recording, managing, and strategizing about the financial resources of a business. Student develop skills in creating budgets and financial records, analyzing financial performance, and developing business financial strategies and apply them in classroom, simulated, and real-world settings. Students completing a program of study related to careers in this cluster will be prepared for careers in business financial management, investment planning, banking services, accounting, securities and investments, and insurance.

Experiential Learning

Experiential Learning consists of Job Shadowing experiences, Service Learning experiences, School-Based Enterprise (SBE) operation, Work-Based Learning (WBL) internships, and Youth Apprenticeships. Experiential Learning is a required component of the total business, marketing, and instructional technology education program, with the intention that opportunities will be available for every student. Through involvement in Experiential Learning activities, students are able to consider multiple careers and occupations, learn expected workplace behavior, develop specific skills within an industry, and are given opportunities to apply academic and occupational skills in the workplace or a simulated workplace environment. Through these strategies, students learn how to apply what they are learning in the classroom as they prepare to transition into the world of college and career opportunities.

Career Technical Student Organizations: Business Professionals of America (BPA) and DECA

The mission of **Business Professionals of America (BPA)** is to contribute to the preparation of global professionals through the advancement of leadership, citizenship, academic and technological skills. BPA provides innovation leadership in Career and Technical Education, providing students with opportunities for growth through education, competition, community service and personal development. **DECA** prepares emerging leaders and entrepreneurs in marketing, finance, hospitality and management in high schools and colleges around the globe. DECA has impacted the lives of more than ten million students, educators, school administrators and business professionals since it was founded in 1946. DECA prepares the next generation to be Academically Prepared, Community Oriented, Professionally Responsible, and Experienced Leaders. Career and leadership development activities are embedded throughout the entire career cluster through classroom instruction and projects, as well as the DECA and BPA competitive event programs.

Cluster Courses

Introductory Courses Number and Name	Intermediate Courses Number and Name	Advanced Courses Number and Name
<ul style="list-style-type: none">• 18 Personal Finance and Money Management• 20 Accounting 1: Foundations• 21 Accounting 2: Partnerships and Corporations	<ul style="list-style-type: none">• 19 Finance and Investing• 22 Accounting 3: Managerial• 24 Microeconomics	<ul style="list-style-type: none">• 23 Accounting 4: Specialized• 25 Macroeconomics• 26 AP Accounting

Employability Skills: Accounting and Finance Cluster

Topic/Strand 1: Academic Foundations

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF01.01 Apply mathematical skills to solve business problems and make business decisions.	AF01.01.01 Recognize relationships among numbers. AF01.01.02 Employ mathematical operations. AF01.01.03 Perform computations successfully. AF01.01.04 Recognize patterns and mathematical relations. AF01.01.05 Predict reasonable estimations. AF01.01.06 Create mathematical models from real-life situations. AF01.01.07 Interpret graphical and numerical data.	I will be able to calculate gross pay, net pay, and personal tax liabilities for various types of taxes. I will be able to create a budget and modify it for various scenarios. I will be able to calculate the rate of return on savings and investments. I will be able to interpret stock market charts. I will be able to prove and rule a journal. I will be able to forecast future sales using historical accounting data.
AF01.02 Identify fundamental economic concepts impacting business and personal finance.	AF01.02.01 Distinguish between economic goods and services. AF01.02.02 Explain the concept of economic resources. AF01.02.03 Explain the concept of private enterprise. AF01.02.04 Identify factors affecting a business's profit.	I will be able to define discretionary income and explain its impact on a budget. I will be able to explain the difference between a service and merchandise company. I will be able to explain the concept of capitalism and the costs associated with running a business.
AF01.03 Demonstrate language arts knowledge and skills required for effective business communications.	AF01.03.01 Adapt language for audience, purpose, and situation. (i.e. structure, style). AF01.03.02 Compose and edit focused copy for a variety of written documents such as agendas, bibliographies, drafts, forms/documents, notes, and reports. AF01.03.03 Evaluate written information for accuracy, adequacy/sufficiency, appropriateness, clarity, conclusions/solutions, relevancy, validity, and relationship of ideas. AF01.03.04 Communicate information and data from actual business performance to stakeholders.	I will be able to organize and adapt communication messages for audience and purpose. I will be able to compose, edit, and evaluate communication messages for effectiveness and professionalism.
AF01.04 Communicate ideas using appropriate industry terminology.	AF01.04.01 Express information, processes, and ideas using technical industry terminology.	I will be able to apply technical industry terminology to professional communications and work performance tasks.

Topic/Strand 2: Business and Workplace Communications

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF02.01 Use oral and written communication skills in creating, expressing, and interpreting information and ideas.	<p>AF02.01.01 Communicate information and ideas effectively to multiple audiences using a variety of media and formats.</p> <p>AF02.01.02 Use descriptions of audience and purpose when communicating to inform and persuade others.</p> <p>AF02.01.03 Make effective financial presentations to non-financial stakeholders.</p>	<p>I will be able to research historical and financial information through company reports for inclusion in an investment portfolio.</p> <p>I will be able to utilize accounting data to prepare an Income Statement, Balance Sheet, and Statement of Owner's Equity.</p> <p>I will be able to develop and deliver presentations of financial statement information in a user-friendly format using numbers, tables and graphs.</p>

Topic/Strand 3: Critical Thinking and Problem-Solving

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF03.01 Solve problems using critical thinking skills (analyze, synthesize, and evaluate) independently and in teams.	AF03.01.01 Solve problems using critical thinking skills (analyze, synthesize, and evaluate) independently and in teams.	<p>I will be able to create, analyze, and balance a personal budget (spending plan).</p> <p>I will be able to identify the type of insurance associated with different types of risk (e.g., auto, liability, home/apartment, health, life, long-term care, and disability).</p>
AF03.02 Solve problems using creativity and innovation.	<p>AF03.02.01 Develop creative and innovative solutions to achieve personal financial goals.</p> <p>AF03.02.02 Adjust problem-solving strategies based on data or changing circumstances to achieve desired results.</p>	<p>I will be able to explain the role of insurance “risk management” in financial planning as a wealth-building and wealth-preservation tool.</p> <p>I will be able to identify the appropriate form of credit for a particular buying decision and be able to calculate the true cost of this decision.</p> <p>I will be able to compare and contrast the various aspects of credit (e.g., APR, grace period, incentive buying, methods of calculating interest, and fees).</p> <p>I will be able to evaluate financial statements and identify needed areas of business operation improvement.</p>
AF03.03 Perform data analysis to make business decisions.	AF03.03.01 Formulate questions that can be solved/answered through data.	I will be able to analyze source documents for accuracy and select the appropriate journal to journalize business transactions.

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
	AF03.03.02 Collect relevant data to solve business problems. AF03.03.03 Perform data analysis to evaluate data and recommend solutions.	I will be able to calculate Uncollectible Accounts Expenses for total Accounts Receivable Sales.

Topic/Strand 4: Information Technology Applications

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF04.01 Apply technological tools for personal financial planning and data analysis.	AF04.01.01 Demonstrate utilization of spreadsheets to perform personal financial planning functions. AF04.01.02 Select, access, and operate Internet-based applications and resources for personal financial planning.	I will be able to create a budget using such software applications as Excel, Google Sheets, or other appropriate technology options, e.g. mobile device apps.
AF04.02 Apply technological tools for recording and analyzing accounting information.	AF04.02.01 Demonstrate utilization of productivity software tools (spreadsheets and databases) to perform accounting functions. AF04.02.02 Demonstrate utilization of accounting software packages to perform accounting functions.	I will be able to use spreadsheet and database software to document business transactions and report on the financial health of a business. I will be able to use integrated accounting software packages to document business transactions and report on the financial health of a business.

Topic/Strand 5: Intercultural Competence

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF05.01 Understand tools, strategies and systems used to maintain, monitor, control, and plan the use of financial resources.	AF05.01.01 Adhere to best practices related to the security of personal financial information.	I will be able to explain the difference between identity theft and fraud, and know the steps for prevention and resolution when such activities occur.
AF05.02 Understand the role accounting plays in business operations.	AF05.02.01 Explain the role accounting plays in the operation of a business. AF05.02.02 Explain the role accounting plays in the economy and regulatory environment.	I will be able to explain the role of accountants in achieving business success. I will be able to explain regulations that impact business accounting activities.
AF05.03 Employ project management knowledge, skills, and tools to enhance results and complete work tasks.	AF05.03.01 Develop goals and objectives. AF05.03.02 Prioritize tasks to be completed. AF05.03.03 Create positive team dynamics and effectively complete tasks by adapting to cultural differences and commonalities of team members.	I will be able to identify and prioritize project goals and tasks to be completed. I will be able to analyze my own intercultural development and adapt to differences and commonalities of my team members.

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
	AF05.03.04 Use project management skills to improve workflow, work quality, and completion time.	I will be able to develop a plan and timeline for completing a workplace project.

Topic/Strand 6: **Safety, Health, and Environmental**

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF06.01 Maintain safe and healthy working environments by implementing personal and jobsite safety rules and industry-appropriate regulations.	<p>AF06.01.01 Adhere to OSHA health and safety regulations to support a safe and healthy work environment.</p> <p>AF06.01.02 Implement technology use techniques to avoid technology-related injuries and fatigue.</p> <p>AF06.01.03 Demonstrate proper and safe use of technology and equipment according to manufacturer rules and safety regulations.</p> <p>AF06.01.04 Explain and comply with sexual harassment policies to create a non-hostile work environment.</p>	<p>I will be able to explain the importance of OSHA regulations and identify the areas of business operations that they regulate.</p> <p>I will be able to demonstrate computer use techniques that prevent repetitive-stress injuries.</p> <p>I will be able to demonstrate proper and safe use of office technology equipment.</p> <p>I will be able to explain policies that support a professional, non-hostile work environment.</p>

Topic/Strand 7: **Leadership and Teamwork**

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF07.01 Use leadership and teamwork skills in collaborating with others to accomplish organizational goals and objectives.	AF07.01.01 Use leadership and teamwork skills in collaborating with others to accomplish organizational goals and objectives.	<p>I will be able to effectively work as a team member to accomplish organizational goals.</p> <p>I will be able to lead a team to research and develop financial management strategies.</p> <p>I will be able to direct and lead work of a team to complete all accounting cycle functions.</p>
AF07.02 Lead and collaborate with others to accomplish goals.	AF07.02.01 Demonstrate leadership and teamwork to collaborate in recording and reporting accounting cycle activities.	I will be able to lead and collaborate on recording and reporting accounting cycle activities.

Topic/Strand 8: **Ethics and Legal Responsibilities**

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF08.01 Demonstrate ethical behaviors in the workplace.	<p>AF08.01.01 Explain the nature of business ethics.</p> <p>AF08.01.02 Demonstrate honesty and integrity.</p>	I will be able to explain and give examples of ethical behavior and decision-making in business.

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
		I will be able to demonstrate ethical behaviors and characteristics expected in professional settings.
AF08.02 Explain contractual obligations related to use of various consumer credit options.	AF08.02.01 Describe the nature of legally binding contracts. AF08.02.02 Compare and contrast consumer credit options.	I will be able to list and describe characteristics of legal contracts. I will be able to explain the various forms of consumer credit and my repayment options and obligations for each one.
AF08.03 Demonstrate ethical behavior in obtaining and providing information in a business setting.	AF08.03.01 Explain the nature of business ethics. AF08.03.02 Respect the privacy of personal and business information. AF08.03.03 Explain ethical considerations of reporting financial information. AF08.03.04 Demonstrate ethical behavior as it relates to gathering and using confidential data and information.	I will be able to explain ethical considerations of applying generally accepted accounting principles. I will be able to identify ethical responsibilities of reporting confidential financial information.
AF08.04 Explain applicable tax laws and regulations to comply with government requirements.	AF08.04.01 Explain the impact of government policies and regulations on business activity. AF08.04.02 Explain the nature of tax regulations on business. AF08.04.03 Explain the nature of businesses' financial reporting requirements.	I will be able to explain how government policies and regulations impact business decision-making. I will be able to explain unemployment taxes (state and federal), personal payroll income tax (federal), federal income tax, and collection periods for each.

Topic/Strand 9: Employability and Career Development

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF09.01 Develop personal traits and behaviors to foster career advancement.	AF09.01.01 Identify desirable personality traits important to business. AF09.01.02 Exhibit a positive attitude. AF09.01.03 Exhibit self-confidence. AF09.01.04 Demonstrate initiative.	I will be able to explain the importance of professionalism and its effect on career success and advancement. I will be able to identify and demonstrate employee characteristics valued by employers. I will be able to demonstrate initiative and involvement in completing individual and team work.
AF09.02 Participate in career planning to enhance job success potential.	AF09.02.01 Assess personal interests and skills needed for success in business. AF09.02.02 Analyze employer expectations in the business environment. AF09.02.03 Identify sources of career information. AF09.02.04 Identify tentative occupational interest. AF09.02.05 Explain employment opportunities in business.	I will be able to identify personality traits and career interests through various inventory assessment tools. I will be able to utilize online private and public resources to explore career options. I will be able to utilize the AICPA website (StartHereGoPlaces: Why Accounting - CPA Skills) to research the Accounting field.
AF09.03 Utilize career advancement activities to enhance professional development.	AF09.03.01 Describe techniques for obtaining work experience (e.g., volunteer activities, internships). AF09.03.02 Explain possible advancement patterns for jobs. AF09.03.03 Identify skills needed to enhance career progression. AF09.03.04 Utilize resources that can contribute to professional development (e.g., trade journals/periodicals, professional/trade associations, classes/seminars, trade shows, and mentors).	I will be able to identify education and experience requirements for employment and advancement in the accounting field.
AF09.04 Explore accounting licensing and certification programs.	AF09.04.01 Discuss the role and responsibilities of certified public accountants (CPAs). AF09.04.02 Discuss professional certifications for accountants (i.e.: CPA, CMA, etc.).	I will be able to utilize the AICPA website (StartHereGoPlaces: Why Accounting Careers Options) to research career opportunities in the field of Accounting. I will be able to use the AICPA website (StartHereGoPlaces: CPA licensure page) to explore accounting licensure requirements.

Career Field: Business, Management, and Administration

Cluster: Accounting and Finance

Program: 140710

Course Title: Personal Finance and Money Management

Course Code: 18

Course Description: In this course, students develop financial literacy knowledge and skills to prepare them for life after high school. Topics will include establishing a budget, earning a living, saving and investment options (stocks, bonds, real estate, etc.), selecting and using credit options, financial problem solving and decision making, banking organization services options, and managing risk through insurance. Stock market simulations and financial management simulations may be used.

CTSO Competitive Events:

BPA: Personal Financial Management, Banking and Finance

DECA: Principles of Finance, Personal Financial Literacy, Virtual Business Challenge: Personal Finance, Financial Literacy Promotion Project

Suggested Technical Skill Assessments (TSA) or Industry-Recognized Credentials:

[Precision Exams—General Financial Literacy](#)

[Precision Exams—Math of Business and Personal Finance](#)

[Precision Exams—Personal Financial Responsibility](#)

Performance Indicators/Standards and Measures/Benchmarks were developed from the following sources:

- Minnesota Technical Skills Attainment
- Minnesota Common Core Competencies
- National Council of Economic Education
- National Business Education Association Standards
- Jump\$tart National Standards in K-12 Personal Finance
- States' Career Clusters Initiative
- MBA Research National Standards for Business Administration

Topic/Strand 10: Technical Skills

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF18.10.01 Discuss implications of employment, income, and taxes on personal financial planning.	<p>AF18.10.01.01 Discuss sources of income and their effects on maintaining a standard of living during employment years and in retirement.</p> <p>AF18.10.01.02 Compare and contrast employee compensation packages that include health and retirement benefits and other incentives.</p> <p>AF18.10.01.03 Describe planning for personal tax liabilities and complete required tax documents and forms to comply with tax requirements.</p>	<p>I will be able to discuss how employment choices impact a person's income levels and standard of living.</p> <p>I will be able to compare and contrast health and retirement benefit compensation packages.</p> <p>I will be able to analyze a W-4 tax form to understand how tax withholding is estimated and its impact on my net income.</p>
AF18.10.02 Discuss implications of spending, saving, and investing on personal financial planning.	<p>AF18.10.02.01 Compare and contrast the risk/return trade-offs for saving and investing.</p> <p>AF18.10.02.02 Explain and analyze online and mobile banking and bill pay services offered by financial institutions.</p> <p>AF18.10.02.03 Use reliable consumer resources to collect information for purchase decision-making.</p> <p>AF18.10.02.04 Discuss and develop long-term financial plans that incorporate home ownership, transportation, education, and retirement considerations.</p>	<p>I will be able to compare and contrast the risks and returns for various types of investment options.</p> <p>I will be able to describe options for financial services available at banks and credit unions.</p> <p>I will be able to examine desired consumer purchases and apply comparison shopping strategies to make financial decisions based on my goals.</p> <p>I will be able to develop financial plans to achieve long-term goals of home ownership, postsecondary education, and retirement income.</p>
AF18.10.03 Discuss individual responsibility for financial well-being as life circumstances change.	<p>AF18.10.03.01 Apply the decision-making process to various types of financial decisions at different stages of the life cycle.</p> <p>AF18.10.03.02 Evaluate the accuracy and objectivity of financial information from tax advisors, financial planners, and print resources.</p> <p>AF18.10.03.03 Identify and use credible sources of current information about consumer rights and responsibilities.</p> <p>AF18.10.03.04 Summarize the rights and responsibilities of each entity involved in various forms of contractual obligations.</p> <p>AF18.10.03.05 Construct and use a personal spending/savings plan and evaluate it according to short and long-term goals.</p>	<p>I will be able to explain how consumer decision-making processes change over the course of a lifetime.</p> <p>I will be able to identify and use credible sources of consumer information.</p> <p>I will be able to explain the rights and responsibilities associated with signing a consumer contract.</p> <p>I will be able to create a personal budget based on short- and long-term goals.</p>

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF18.10.04 Explain consumer credit options and strategies for managing spending and debt.	<p>AF18.10.04.01 Compare and contrast various forms of consumer credit and strategies for managing debt.</p> <p>AF18.10.04.02 Explain credit ratings and credit reports and why they are important to consumers.</p> <p>AF18.10.04.03 Discuss strategies for effective debt management.</p> <p>AF18.10.04.04 Explain rights and responsibilities of consumers according to credit legislation (i.e. truth-in-lending, fair credit reporting, equal credit opportunity, and fair debt collection).</p>	<p>I will be able to compare different sources of credit to determine the best credit choice.</p> <p>I will be able to interpret a credit report and understand how a score is generated.</p> <p>I will be able to discuss various strategies for managing consumer debt.</p> <p>I will be able to explain the rights and responsibilities protections provided by several current consumer credit laws.</p>
AF18.10.05 Examine options for building wealth through investment opportunities.	<p>AF18.10.05.01 Develop long-term financial goals based on lifestyle expectations and career choices.</p> <p>AF18.10.05.02 Explain rationale for various investment decisions (i.e. diversification, liquidity, income, growth).</p> <p>AF18.10.05.03 Discuss how economic conditions and business factors affect market value of a stock.</p> <p>AF18.10.05.04 Explain regulations on financial markets and the protections available to investors.</p>	<p>I will be able to apply criteria (i.e. liquidity, income, growth, diversification) to evaluate and select investment options that align with my financial goals.</p> <p>I will be able to explain how changing economic circumstances impact the price of stocks on a stock market.</p>
AF18.10.06 Examine risk management strategies for achieving financial goals.	<p>AF18.10.06.01 Explain the role of insurance in financial planning as a wealth-building and wealth-preservation tool.</p> <p>AF18.10.06.02 Examine the types of insurance associated with different types of risk (e.g. auto, liability, home, health, life, long-term care, disability).</p> <p>AF18.10.06.03 Analyze the risk management strategy of acquiring health and life insurance at various stages in the life cycle.</p>	<p>I will be able to discuss the role of insurance in building and preserving wealth.</p> <p>I will be able to explain the various types of insurances available to protect against various types of risk.</p> <p>I will be able to analyze the costs and benefits of purchasing health and life insurance at different stages in my life.</p>

Economics (Minnesota K-12 Academic Standards in Social Studies)

****If your Personal Finance course is fulfilling the “Personal Finance” sub-strand of the Economics strand of the Minnesota K-12 Academic Standards in Social Studies, your course will need to address the Topic/Strand below:**

Topic/Strand: **Economic Reasoning Skills**

Performance Indicator/Standard	Measure/Benchmarks	Sample Learning Targets
1. People make informed economic choices by identifying their goals, interpreting and applying data, considering the short- and long-run costs and benefits of alternative choices and their goals based on their analysis.	(Taken from the Minnesota Social Studies Academic Standards and the Minnesota Standards In Economics) 9.2.1.1.1 Apply reasoned decision-making techniques in making choices; explain why different individuals, households, organizations, and/or governments faced with the same alternatives might make different choices.	I will be able to apply appropriate decision-making steps, such as PACED (problem, alternative, criteria, evaluation, decision) to make choices that impact my money; including cost-benefit analysis, marginal analysis, consideration of sunk and prospective costs. I will be able to create financial goals that relate to my future: e.g. college education, start a business, buy a house, retire comfortably, and calculate net (or disposable) income.
2. Personal and financial goals can be achieved by applying economic concepts and principles to personal financial planning, budgeting, spending, saving, investing, borrowing, and insuring decisions.	9.2.2.2.1 Establish financial goals; make a financial plan considering budgeting and asset building to meet those goals; and determine ways to track the success of the plan. 9.2.2.2.2 Evaluate investment options using criteria such as risk, return, liquidity, and time horizon; evaluate and apply risk management strategies in investing and insuring decisions. 9.2.2.2.3 Evaluate the benefits and costs of credit; describe the “three C’s” of credit (character, capacity, and collateral) and explain how these attributes can affect one’s ability to borrow, rent, get a job, and achieve other financial goals.	I will be able to create financial planning documents to help meet my financial goals (cash flow or income-expense statement; balance sheet showing assets and liabilities). I will be able to evaluate different investment options by applying the decision-making process (e.g. PACED): stocks, bonds, savings accounts, CDs, real estate; risk management strategies: diversification, dollar-averaging, safe driving savings, homeowners insurance. I will be able evaluate the two typical costs of credit: finance charges and a lower degree of financial security, e.g. credit score.

Career Field: Business, Management, and Administration

Cluster: Accounting and Finance

Program: 140710

Course Title: Finance and Investing

Course Code: 19

Course Description: In this course, students will learn about building wealth through investments and utilizing financial management decision making. Students will understand the time-value concept that drives investing and how to invest with short-term and long-term strategies. This course will provide the foundation for a lifetime of building wealth through informed savings and investing. Topics covered include financial analysis, investments and investment analysis of stock and mutual fund performance leading to financial goal-setting for individual (not institutional) investors. Experiential learning will include creating an investment portfolio, making investing decisions related to holdings, and monitoring progress of a stock portfolio. Students will also study careers in business finance and investments. Course may include participation in a Business Professionals of America (BPA) student organization.

CTSO Competitive Events:

BPA: Fundamental Accounting, Advanced Accounting, Payroll Accounting, Banking and Finance, Financial Analyst Team, Economic Research, Personal Financial Management, Financial Math and Concepts.

DECA: Personal Financial Literacy, Virtual Business Challenge: Personal Finance, Financial Literacy Promotion Project.

Suggested Technical Skill Assessments (TSA) or Industry-Recognized Credentials:

[Precision Exams—General Financial Literacy](#)

[NOCTI Exams – Financial and Investment Planning](#)

Performance Indicators/Standards and Measures/Benchmarks were developed from the following sources:

- Minnesota Technical Skills Attainment
- Minnesota Common Core Competencies
- National Council of Economic Education
- National Business Education Association Standards
- Jump\$tart National Standards in K-12 Personal Finance
- States' Career Clusters Initiative
- MBA Research National Standards for Business Administration

Topic/Strand 10: Technical Skills

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF19.10.01 Examine the financial planning process and evaluate how personal choices affect money and income.	<p>AF19.10.01.01 Describe the personal financial planning process, techniques and benefits.</p> <p>AF19.10.01.02 Explore the life cycle of financial plans and their role in achieving financial goals.</p> <p>AF19.10.01.03 Examine economic influences on personal financial planning.</p>	<p>I will be able to identify the benefits of using personal financial planning techniques to manage finances.</p> <p>I will be able to define the benefits of using professional financial planners.</p> <p>I will be able to describe the financial planning process and define personal financial goals.</p> <p>I will be able to explore the impact of age, education, and geographic location on personal income.</p> <p>I will be able to explore the connection of career choice to personal financial planning.</p>
AF19.10.02 Utilize financial decision-making and planning to make financial decisions.	<p>AF19.10.02.01 Examine financial planning and how financial decisions influence financial statements.</p> <p>AF19.10.02.02 Prepare personal financial statements (balance sheet, income statement, expense statement, cash flow statement, net-worth, etc.).</p> <p>AF19.10.02.03 Construct a budget and use it to monitor and control spending.</p> <p>AF19.10.02.04 Calculate financial ratios and time value of money and apply concepts to put a monetary value on financial goals.</p>	<p>I will be able to identify the relationship between financial plans and statements.</p> <p>I will be able to describe needs and wants and explain how financial resources fulfill needs and wants.</p> <p>I will be able to prepare personal financial statements.</p> <p>I will be able to develop a plan for saving, spending, and investing.</p> <p>I will be able to develop a budget and track spending.</p> <p>I will be able to utilize record keeping techniques for tracking financial information.</p> <p>I will be able to use financial ratios to evaluate financial decisions.</p> <p>I will be able to apply the time value of money to financial goals.</p> <p>I will be able to summarize major consumer protection laws.</p>
AF19.10.03 Examine strategies to manage money and income.	AF19.10.03.01 Examine financial services products to assist with savings goals.	I will be able to describe the modern financial services marketplace of both depository and non-depository financial institutions.

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
	AF19.10.03.02 Analyze the importance of sources of earned income, benefits, income tax and other deductions towards building personal financial security and wealth.	<p>I will be able to compare and evaluate a variety of financial products and services including checking, savings, electronic banking, and financial or tax planning that meet my needs.</p> <p>I will be able to calculate interest earned including compound interest and future value.</p> <p>I will be able to investigate and calculate exchange rates.</p> <p>I will be able to discuss the basic principles of income taxes and determine tax filing status.</p> <p>I will be able to identify the sources of gross income and adjustments to income and calculate taxable income.</p> <p>I will be able to prepare a basic tax return using the appropriate tax forms and rate schedules.</p> <p>I will be able to analyze the impact of taxes on financial decision-making and wealth building.</p>
AF19.10.04 Examine the types of and uses of credit and consumer loans and the impact of credit use on personal finances.	<p>AF19.10.04.01 Explore consumer credit options and the impact of credit use on personal finances.</p> <p>AF19.10.04.02 Examine how consumer credit scores are determined and how to build a good consumer credit score.</p> <p>AF19.10.04.03 Describe the features of, and calculate the finance charges on, single-payment loans.</p>	<p>I will be able to describe the reasons for using consumer credit and examine the various forms of consumer credit and installment loans.</p> <p>I will be able to summarize a borrower's rights including bankruptcy.</p> <p>I will be able to choose the best loans by comparing finance charges, maturity, collateral, and other loan terms.</p> <p>I will be able to describe how to obtain and manage the use of a credit card or consumer loan.</p> <p>I will be able to identify both benefit and risk of consumer credit or loans on personal finances.</p> <p>I will be able to identify the elements that go into a consumer credit score.</p> <p>I will be able to develop a plan to establish a strong credit history.</p> <p>I will be able to explore ways to control personal information.</p>

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF19.10.05 Examine investments and the financial securities market.	<p>AF19.10.05.01 Examine the role that investing plays in implementing personal financial goals.</p> <p>AF19.10.05.02 Evaluate stocks and bonds as personal investment instruments.</p> <p>AF19.10.05.03 Analyze mutual funds as personal investment instruments.</p> <p>AF19.10.05.04 Identify and classify a variety of investment alternatives including real estate, annuities, commodities, and currency.</p> <p>AF19.10.05.05 Demonstrate how to buy and sell investments and how to participate in employer-sponsored investing.</p> <p>AF19.10.05.06 Investigate how government and private agencies protect investors and regulate financial markets and products.</p> <p>AF19.10.05.07 Examine banking products and services.</p>	<p>I will be able to identify how investing affects personal financial planning at various life stages.</p> <p>I will be able to identify investment objectives and the effect on personal finances.</p> <p>I will be able to analyze the risks and returns to which investors are exposed.</p> <p>I will be able to describe how various forms of investment information can lead to better investing skills and returns.</p> <p>I will be able to search for an acceptable investment based on risk, return, yield and investment goals.</p> <p>I will be able to compare and contrast the different types of stocks and examine stock performance measures to inform investors.</p> <p>I will be able to utilize securities information to make informed financial decisions.</p> <p>I will be able to distinguish between primary and secondary markets as well as between broker and dealer markets.</p> <p>I will be able to describe the basic issue characteristics of bonds as well as how these securities are used as investment vehicles.</p> <p>I will be able to categorize types of bonds, gain an understanding of how bond prices behave, and compute bond measures of yield.</p> <p>I will be able to describe the basic features and operating characteristics of mutual funds and exchange traded funds including fund loads, managers and charges.</p> <p>I will be able to examine investor services offered by mutual funds and exchange traded funds and the use of a financial planner.</p> <p>I will be able to identify a variety of securities, describe their risk-return, and examine their use in a financial plan at various stages.</p>

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
		<p>I will be able to explain the process of buying and selling securities and recognize the different types of orders.</p> <p>I will be able to examine employee-sponsored investment and pension plans.</p> <p>I will be able to explore and analyze a variety of banking products and services and determine how they influence short and long-term financial plans.</p>
AF19.10.06 Examine risk and identify ways to reduce risk in financial planning.	<p>AF19.10.06.01 Explain the concept of risk and the basics of insurance underwriting.</p> <p>AF19.10.06.02 Examine insurance as it relates to reducing personal financial risk and how to calculate appropriate coverage (life, disability, health, and property insurance).</p>	<p>I will be able to examine how insurance transfers risk and protects personal finances.</p> <p>I will be able to identify a variety of insurance and discuss the primary reasons for insurance, who needs coverage and how much.</p> <p>I will be able to explore insurance plans, how to select a plan, what they cover and how to evaluate providers.</p>

Career Field: Business, Management, and Administration

Cluster: Accounting and Finance

Program: 140710

Course Title: Accounting I: Foundations

Course Code: 20

Course Description: This course introduces the fundamental accounting principles and procedures used in businesses. Content typically includes the full accounting cycle, payroll, taxes, debts, depreciation, ledger and journal techniques, and periodic adjustments. Students may learn how to apply standard auditing principles and to prepare budgets and final reports. Calculators, electronic spreadsheets, or other automated tools are usually used.

CTSO Competitive Events:

DECA: Accounting Applications Series, Virtual Business Challenge: Accounting

Suggested Technical Skill Assessments (TSA) or Industry-Recognized Credentials:

[Precision Exams—Accounting I](#)

Performance Indicators/Standards and Measures/Benchmarks were developed from the following sources:

- Minnesota Technical Skills Attainment
- Minnesota Common Core Competencies
- National Council of Economic Education
- National Business Education Standards
- States' Career Clusters Initiative
- MBA Research National Standards for Business Administration

Topic/Strand 10: Technical Skills

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF20.10.01 Develop a foundational knowledge of accounting to understand its nature and scope.	AF20.10.01.01 Explain the concept of accounting. AF20.10.01.02 Explain the need for accounting standards (GAAP). AF20.10.01.03 Discuss the role of ethics in accounting. AF20.10.01.04 Explain legal considerations for accounting.	I will be able to describe the role of accounting as the language of business.
AF20.10.02 Use information literacy skills to increase workplace efficiency and effectiveness.	AF20.10.02.01 Assess business information and data needs. AF20.10.02.02 Obtain needed information efficiently. AF20.10.02.03 Evaluate quality and source of information. AF20.10.02.04 Apply information to accomplish a task. AF20.10.02.05 Store information for future use.	I will be able to analyze source documents to journalize accounting transactions. I will be able to explain the proper filing of source documents.
AF20.10.03 Select business structure for immediate and long-term operations.	AF20.10.03.01 Explain types of business ownership. AF20.10.03.02 Select form of business ownership.	I will be able to explain the advantages and disadvantages of each form of business ownership and be able to choose a form based on the owner's situation.
AF20.10.04 Describe essential concepts for maintaining and protecting business records.	AF20.10.04.01 Describe the nature of business records. AF20.10.04.02 Describe how records are maintained and protected.	I will be able to explain the proper storage of accounting journals and ledger information.
AF20.10.05 Manage personal finances to achieve financial goals.	AF20.10.05.01 Explain the nature of tax liabilities. AF20.10.05.02 Prepare essential elements of business tax liability documents. AF20.10.05.03 Read and reconcile bank statements.	I will be able to calculate and complete business tax liability documents. I will be able to prepare a bank reconciliation.
AF20.10.06 Implement expense-control strategies to enhance a business's financial well-being.	AF20.10.06.01 Explain the nature of overhead operating costs. AF20.10.06.02 Identify routine activities for maintaining business facilities and equipment.	I will be able to explain fixed and variable expenses and employee roles in reducing business costs.
AF20.10.07 Discuss the roles of regulation and social responsibility in accounting.	AF20.10.07.01 Describe social responsibility in accounting. AF20.10.07.02 Discuss the use of Generally Accepted Accounting Principles (GAAP). AF20.10.07.03 Describe the role of the Securities and Exchange Commission (SEC) and Financial Accounting Standards Board (FASB) in regulating the accounting industry.	I will be able to explain current regulations affecting accounting.
AF20.10.08 Classify, record, and summarize financial data.	AF20.10.08.01 Demonstrate the effects of transactions on the accounting equation. AF20.10.08.02 Prepare a chart of accounts. AF20.10.08.03 Journalize and post accounting transactions.	I will be able to demonstrate how debit and credit entries effect the accounting equation. I will be able to prepare a chart of accounts and assign account numbers.

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
	AF20.10.08.04 Discuss the use of financial ratios in accounting. AF20.10.08.05 Determine business liquidity. AF20.10.08.06 Calculate business profitability. AF20.10.08.07 Prepare income statements. AF20.10.08.08 Prepare a statement of equity and retained earnings. AF20.10.08.09 Prepare balance sheets. AF20.10.08.10 Journalize and post adjusting entries.	I will be able to record and post accounting transactions using the appropriate journals and ledger accounts. I will be able to calculate financial ratios and understand how to compare results to industry standards. I will be able to explain the current ratio in terms of business liquidity. I will be able to explain how the interaction of revenues and expenses produce net income or net loss. I will be able to prepare income statements. I will be able to prepare a statement of stockholders equity. I will be able to prepare balance sheets. I will be able to journalize and post adjusting entries.
AF20.10.09 Maintain cash controls.	AF20.10.09.01 Explain cash control procedures. AF20.10.09.02 Prove the accuracy of cash records. AF20.10.09.03 Journalize/post entries related to banking activities. AF20.10.09.04 Journalize/post entries to establish and replenish petty cash.	I will be able to demonstrate proper checking account management procedures. I will be able to perform a cash proof. I will be able to journalize banking activity accounting transactions. I will be able to establish and replenish a petty cash account and journalize each transaction.

Career Field: Business, Management, and Administration

Cluster: Accounting and Finance

Program: 140710

Course Title: Accounting II: Partnerships and Corporations

Course Code: 21

Course Description: This course expands upon the fundamental accounting principles and procedures introduced in Accounting I courses. Content includes the full accounting cycle for partnerships and corporations, and managerial uses of control systems and the accounting process. Students may learn how to apply standard auditing principles and to prepare budgets and final reports. Focus is given to developing the ability to communicate financial information and solve problems through financial decision making. Calculators, electronic spreadsheets, or other automated tools are usually used.

CTSO Competitive Events:

DECA: Accounting Applications Series, Virtual Business Challenge: Accounting

Suggested Technical Skill Assessments (TSA) or Industry-Recognized Credentials:

[Precision Exams—Accounting II](#)

[NOCTI Exams—Business Financial Management](#)

[Minnesota State-Approved TSA--Accounting](#)

Performance Indicators/Standards and Measures/Benchmarks were developed from the following sources:

- Minnesota Technical Skills Attainment
- Minnesota Common Core Competencies
- National Council of Economic Education
- National Business Education Association Standards
- States' Career Clusters Initiative
- MBA Research National Standards for Business Administration

Topic/Strand 10: Technical Skills

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF21.10.01 Analyze source documents.	AF21.10.01.01 Analyze purchase requisitions. AF21.10.01.02 Analyze purchase orders. AF21.10.01.03 Analyze sales invoices. AF21.10.01.04 Analyze vendor invoices.	I will be able to prepare a Purchases Journal. I will be able to obtain necessary information from source documents to journalize in proper journals. I will be able to analyze a sales invoice for cost and dating terms. I will be able to analyze a vendor invoice for cost and dating terms.
AF21.10.02 Perform accounting functions specific to a merchandising business.	AF21.10.02.01 Explain the nature of special journals. AF21.10.02.02 Record transactions in special journals.	I will be able to explain why businesses use special journals. I will be able to explain the use of source documents in special journals.
AF21.10.03 Perform accounts payable functions.	AF21.10.03.01 Explain the nature of accounts payable. AF21.10.03.02 Analyze purchase transactions. AF21.10.03.03 Post to an accounts payable subsidiary ledger. AF21.10.03.04 Process invoices for payment. AF21.10.03.05 Calculate purchase discounts. AF21.10.03.06 Process accounts payable. AF21.10.03.07 Prepare an accounts payable schedule.	I will be able to explain the purpose of purchasing merchandise or supplies using a payables system. I will be able to analyze and journalize a purchase transaction to a Purchases journal. I will be able to post payable transactions to the Accounts Payable subsidiary ledger. I will be able to analyze and journalize payment transactions to the Cash Payment journal. I will be able to calculate a discount on an accounts payable payment using the Cash Payments journal. I will be able to prepare checks for payments. I will be able to use the accounts payable subsidiary ledger to create an Accounts Payable Schedule.
AF21.10.04 Perform accounts receivable functions.	AF21.10.04.01 Explain the nature of accounts receivable. AF21.10.04.02 Maintain a customer file for accounts receivable. AF21.10.04.03 Analyze sales transactions. AF21.10.04.04 Post to an accounts receivable subsidiary ledger. AF21.10.04.05 Process sales orders and invoices. AF21.10.04.06 Calculate sales discounts. AF21.10.04.07 Process sales returns and allowances. AF21.10.04.08 Process customer payments.	I will be able to explain the purpose of selling merchandise on account. I will be able to maintain a customer file. I will be able to analyze and journalize a sales transaction to a Sales journal. I will be able to post receivable transactions to the Accounts Receivable subsidiary ledger. I will be able to analyze and journalize a sales transaction to the Sales journal.

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
	AF21.10.04.09 Prepare customer statements. AF21.10.04.10 Process uncollectible accounts. AF21.10.04.11 Prepare an accounts receivable schedule. AF21.10.04.12 Determine uncollectible accounts receivable.	I will be able to calculate a discount on an accounts receivable transaction using the Cash Receipts journal. I will be able to analyze, prepare, and journalize a sales return. I will be able to journalize customer payments using the Cash Receipts journal. I will be able to prepare a customer statement. I will be able to analyze and journalize uncollectible expenses for total accounts receivable sales. I will be able to use the accounts receivable subsidiary ledger to create an Accounts Receivable Schedule. I will be able to analyze and journalize uncollectible expenses for total accounts receivable sales using an industry standard percentage.
AF21.10.05 Maintain inventory records to track the location, quantity, and value of current assets.	AF21.10.05.01 Record inventory usage. AF21.10.05.02 Process purchase invoices. AF21.10.05.03 Process results of inventory. AF21.10.05.04 Process inventory adjustments. AF21.10.05.05 Determine the cost of inventory.	I will be able to use various inventory methods: LIFO, FIFO, and weighted-average to track and calculate inventory.
AF21.10.06 Complete payroll procedures to calculate, record, and distribute payroll earnings.	AF21.10.06.01 Calculate time cards. AF21.10.06.02 Explain elements of a pay stub. AF21.10.06.03 Maintain employee earnings records. AF21.10.06.04 Calculate employee earnings (i.e.: gross earnings, net pay). AF21.10.06.05 Calculate employee-paid withholdings. AF21.10.06.06 Prepare a payroll register. AF21.10.06.07 Record the payroll in the general journal. AF21.10.06.08 Complete payroll tax expense forms. AF21.10.06.09 Prepare federal, state, and local payroll tax reports.	I will be able to calculate regular and overtime hours using a time card. I will be able to explain the elements of a pay stub. I will be able to calculate gross earnings and net pay for an employee. I will be able to calculate employee payroll withholdings: federal and state income tax. I will be able to prepare a payroll register. I will be able to use the payroll register to journalize payroll transactions. I will be able to complete the payroll tax expense using the General Ledger. I will be able to prepare federal and state tax reports.
AF21.10.07 Perform specialized accounting procedures to track cash flow.	AF21.10.07.01 Process notes payable and receivable. AF21.10.07.02 Determine the book value of a plant asset.	I will be able to journalize notes payable and receivable transactions.

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
	AF21.10.07.03 Prepare depreciation schedules. AF21.10.07.04 Record the disposition of assets. AF21.10.07.05 Account for intangible assets. AF21.10.07.06 Analyze accounting records to make business decisions.	I will be able to calculate book value based on asset value minus depreciation. I will be able to prepare a depreciation schedule for a single asset. I will be able to analyze and record the disposition of assets. I will be able to analyze and record intangible assets. I will be able to analyze financial statements to assist with making business decisions.
AF21.10.08 Prepare budget reports to make business decisions.	AF21.10.08.01 Process preliminary budget detail. AF21.10.08.02 Prepare budget reports. AF21.10.08.03 Determine relevant cost and revenue data for decision-making purposes.	I will be able to prepare financial statements (Income Statement, Balance Sheet, and Statement of Owners Equity) to assist in managerial decision-making.
AF21.10.09 Perform accounting functions specific to a corporation.	AF21.10.09.01 Discuss the nature of a corporate financial statement. AF21.10.09.02 Explain methods to account for the issuance of stock. AF21.10.09.03 Compute dividends payable on stock. AF21.10.09.04 Prepare a balance sheet for a corporation.	I will be able to prepare financial statements and record issuance of stock during a fiscal period. I will be able to compute and journalize dividends on outstanding common stock issued. I will be able to prepare a balance sheet for a corporation.
AF21.10.10 Determine suitable internal accounting controls to ensure the proper recording of financial transactions.	AF21.10.10.01 Explain the purpose of internal accounting controls. AF21.10.10.02 Determine the components of internal accounting control procedures. AF21.10.10.03 Maintain internal accounting controls.	I will be able to explain generally accepted accounting principles (GAAP) as they relate to an individual business entity.
AF21.10.11 Perform tax accounting functions.	AF21.10.11.01 Explain record keeping procedures for tax accounting. AF21.10.11.02 Discuss the nature of corporate tax accounting.	I will be able to use a corporate Work Sheet to calculate federal income tax.

Career Field: Business, Management, and Administration

Cluster: Accounting and Finance

Program: 140710

Course Title: Accounting 3: Managerial

Course Code: 22

Course Description: This course expands upon the accounting procedures and principles discussed in Accounting 2 and introduces students to managerial accounting practices. Students will continue developing their skills analyzing financial statements. Students will create business budgets and analyze performance reports. Students will become aware of the costing process and analyze how costs, price and volume affect a manufacturing business. Students will calculate and analyze profitability by calculating financial management ratios, present values and future values of current assets. Course may include participation in Business Professionals of America (BPA).

CTSO Competitive Events:

BPA: Advanced Accounting, Payroll Accounting, Banking and Finance, Financial Analyst Team

DECA: Accounting Applications Series, Virtual Business Challenge--Accounting

Suggested Technical Skill Assessments (TSA) or Industry-Recognized Credentials:

[Precision Exams ---- Accounting III](#)

[NOCTI Exams ---- Business Financial Management](#)

[College Board College-Level Examination Program \(CLEP\)—Financial Accounting](#)

[Minnesota State-Approved TSA ---- Accounting](#)

Performance Indicators/Standards and Measures/Benchmarks were developed from the following sources:

- Minnesota Technical Skills Attainment
- Minnesota Common Core Competencies
- National Council of Economic Education
- National Business Education Association Standards
- States' Career Clusters Initiative
- MBA Research National Standards for Business Administration

Topic/Strand 10: Technical Skills

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF22.10.01 Identify skills and abilities required for success in managerial accounting.	AF22.10.01.01 Identify the education, skills, and abilities required for a career in managerial accounting.	I will be able to identify the education, skills, and abilities required for careers in managerial accounting.
AF22.10.02 Demonstrate the ability to create and analyze financial statements.	<p>AF22.10.02.01 Demonstrate the ability to create and analyze an income statement using component percentages.</p> <p>AF22.10.02.02 Prepare and analyze a comparative income statement.</p> <p>AF22.10.02.03 Demonstrate the ability to create and analyze a balance sheet using vertical analysis.</p> <p>AF22.10.02.04 Prepare and analyze a statement of retained earnings.</p> <p>AF22.10.02.05 Prepare and analyze a statement of cash flows.</p>	<p>I will be able to prepare an income statement and utilize results to identify key trends and how they will impact the business.</p> <p>I will be able to prepare a balance sheet and utilize results to identify key trends and how they will impact the business.</p> <p>I will be able to calculate the percentage of sales each section of the balance sheet represents.</p> <p>I will be able to prepare a statement of retained earnings and utilize results to identify key trends and how they will impact the business.</p> <p>I will be able to prepare a statement of cash flows and utilize results to identify key trends and how they will impact the business.</p>
AF22.10.03 Utilize business performance data and projections to prepare business budgets and schedules.	<p>AF22.10.03.01 Describe the purposes and benefits of budgeting.</p> <p>AF22.10.03.02 List sources of budget information.</p> <p>AF22.10.03.03 Describe the purpose of an operational plan.</p> <p>AF22.10.03.04 Prepare sales and purchases budget schedules.</p> <p>AF22.10.03.05 Prepare expenses budget schedules.</p> <p>AF22.10.03.06 Prepare a budgeted income statement.</p> <p>AF22.10.03.07 Prepare a cash budget.</p> <p>AF22.10.03.08 Prepare and analyze a performance report.</p>	<p>I will be able to create and justify budgets for various operational plans and goals.</p> <p>I will be able to prepare and analyze budget schedules.</p> <p>I will be able to prepare and analyze a budgeted income statement.</p> <p>I will be able to prepare and analyze a cash budget.</p> <p>I will be able to prepare and analyze a performance report.</p>
AF22.10.04 Calculate and analyze how costs, price, and volume affect business decisions.	<p>AF22.10.04.01 Explain the difference between total costs, unit costs, fixed costs, and variable costs.</p> <p>AF22.10.04.02 Calculate contribution margin and contribution margin per unit.</p> <p>AF22.10.04.03 Calculate the break-even point for a product.</p>	<p>I will be able to identify, determine, and explain variable costs, fixed costs, and mixed costs.</p> <p>I will be able to calculate break-even point and use it to plan sales mix.</p> <p>I will be able to compare and contrast total costs and unit costs.</p>

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
	<p>AF22.10.04.04 Describe the effect of sales volume changes on net income.</p> <p>AF22.10.04.05 Determine the sales required to earn a planned net income.</p> <p>AF22.10.04.06 Analyze the effect of adding a new product.</p> <p>AF22.10.04.07 Analyze the effect of changing the costs of a product.</p> <p>AF22.10.04.08 Analyze the effect of sales price, volume, and sales mix changes.</p>	<p>I will be able to determine and describe variable and fixed cost characteristics.</p> <p>I will be able to calculate sales needed to earn planned net income.</p> <p>I will be able to calculate and describe the effect of volume changes on net income.</p> <p>I will be able to calculate and describe the effect of cost changes at average volume.</p> <p>I will be able to calculate and describe the effect of cost changes at above average volume.</p> <p>I will be able to calculate and describe the effect of changes in costs on contribution margin rate.</p>
AF22.10.05 Calculate and analyze how costs affect manufacturing business decisions.	<p>AF22.10.05.01 Describe the elements of manufacturing costs.</p> <p>AF22.10.05.02 Explain the flow of goods through manufacturing inventory accounts.</p> <p>AF22.10.05.03 Describe what is recorded on a job-order cost sheet.</p> <p>AF22.10.05.04 Calculate the factory overhead rate.</p> <p>AF22.10.05.05 Explain the importance of calculating manufacturing costs.</p> <p>AF22.10.05.06 Describe the elements of process costing.</p> <p>AF22.10.05.07 Calculate unit costs in a process costing system.</p>	<p>I will be able to describe the elements of manufacturing costs.</p> <p>I will be able to explain the flow of goods through manufacturing inventory accounts.</p> <p>I will be able to describe the use and proper completion of a job-order cost sheet.</p> <p>I will be able to calculate factory overhead rate.</p> <p>I will be able to explain the importance of calculating manufacturing costs.</p> <p>I will be able to describe the elements of process costing.</p> <p>I will be able to calculate unit costs in a process costing system.</p>
AF22.10.06 Demonstrate the ability to calculate and interpret financial management ratios.	<p>AF22.10.06.01 Calculate and evaluate accounts receivable turnover ratio.</p> <p>AF22.10.06.02 Calculate and evaluate the merchandise inventory turnover ratio.</p> <p>AF22.10.06.03 Calculate and evaluate liquidity ratios.</p> <p>AF22.10.06.04 Calculate and evaluate debt ratios.</p> <p>AF22.10.06.05 Calculate and evaluate the accounts receivable turnover ratio.</p> <p>AF22.10.06.06 Calculate and evaluate the merchandise inventory turnover ratio.</p>	<p>I will be able to calculate and interpret the importance of accounts receivable turnover ratios.</p> <p>I will be able to calculate and interpret the importance of merchandise inventory turnover ratios.</p> <p>I will be able to calculate and interpret the importance of business working capital.</p> <p>I will be able to calculate and interpret the importance of current ratios.</p>

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
		<p>I will be able to calculate and interpret the importance of quick ratios.</p> <p>I will be able to calculate and interpret the importance of cash ratios.</p> <p>I will be able to calculate and interpret the importance of inventory turnover.</p> <p>I will be able to calculate and interpret the importance of accounts receivable turnover.</p> <p>I will be able to calculate and interpret the importance of the business operating cycle.</p>
AF22.10.07 Calculate financial statistics related to the time value of money to determine the success of business operations.	<p>AF22.10.07.01 Evaluate decisions about single sums of money using future value calculations.</p> <p>AF22.10.07.02 Evaluate decisions about single sums of money using present value calculations.</p> <p>AF22.10.07.03 Evaluate decisions about annuities using future value calculations.</p> <p>AF22.10.07.04 Evaluate decisions about annuities using present value calculations.</p> <p>AF22.10.07.05 Calculate the present and future values of an annuity due.</p> <p>AF22.10.07.06 Calculate and interpret return on assets.</p> <p>AF22.10.07.07 Calculate and interpret return on operating assets.</p>	<p>I will be able to calculate future value of money and use it to make business decisions.</p> <p>I will be able to calculate present value of money and use it to make business decisions.</p> <p>I will be able to compare and contrast gross profit margins and operating profit margins.</p> <p>I will be able to calculate net profit margin and use it to determine the success of business operations.</p> <p>I will be able to calculate return on assets and use it to determine the success of business operations.</p> <p>I will be able to calculate return on operating assets and use it to determine the success of business operations.</p>

Career Field: Business, Management, and Administration

Cluster: Accounting and Finance

Program: 140710

Course Title: Accounting 4: Specialized

Course Code: 23

Course Description: This course expands upon managerial accounting procedures in Accounting 3 and introduces students to additional accounting roles. Students will continue developing their skills analyzing financial statements with accounting software and information technology. Students will gain an understanding of accounting as it relates to plant assets, capital revenue expenditures, natural resources, intangible assets, and decentralized accounting systems. Accounting for business organizations including partnerships, government, not-for-profit businesses, and banks will be examined. Students will research various careers in accounting and educational requirements needed to pursue those careers. Course may include participation in a Business Professionals of America (BPA) student organization.

CTSO Competitive Events:

BPA: Advanced Accounting, Payroll Accounting, Banking and Finance, Financial Analyst Team

DECA: Accounting Applications Series, Virtual Business Challenge: Accounting

Suggested Technical Skill Assessments (TSA) or Industry-Recognized Credentials:

[Precision Exams ---- Accounting III](#)

[NOCTI Exams ---- Business Financial Management](#)

[College Board College-Level Examination Program \(CLEP\)—Financial Accounting](#)

Performance Indicators/Standards and Measures/Benchmarks were developed from the following sources:

- Minnesota Technical Skills Attainment
- Minnesota Common Core Competencies
- National Council of Economic Education
- National Business Education Association Standards
- States' Career Clusters Initiative
- MBA Research National Standards for Business Administration

Topic/Strand 10: Technical Skills

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF23.10.01 Conduct education and training research for various career opportunities in the field of accounting.	AF23.10.01.01 Identify education and training requirements for obtaining certifications, professional designations, degrees, and employment in the accounting field. AF23.10.01.02 Compare and contrast the reporting and analysis responsibilities of various careers in the accounting field.	I will be able to acquire business and industry experience and an understanding of accounting career and educational options. I will be able to compare and contrast the reporting and analysis responsibilities of various careers in the accounting field.
AF23.10.02 Assess and communicate the financial performance of the business.	AF23.10.02.01 Use spreadsheet software to create, organize, calculate, and analyze financial statements to review the financial condition of the business. AF23.10.02.02 Use spreadsheet software to create and prepare charts and graphs to use in communicating the financial condition of the business. AF23.10.02.03 Make proprietary business decisions based off spreadsheets, charts, and graphs used in communicating the financial condition of the business.	I will be able to create, organize, calculate, and analyze spreadsheets to use in review of the financial condition of the business. I will be able to interpret data on spreadsheets by creating pivot tables and VLOOKUP's in Excel to simplify the data. I will be able to create, prepare, and interpret data in charts and graphs to communicate the financial condition of the business. I will be able to make decisions based off data in charts, graphs, and spreadsheets, used in communicating business conditions.
AF23.10.03 Conduct advanced financial analysis.	AF23.10.03.01 Research industry averages and explain their use in assessing the financial condition, operating results, profitability, liquidity, and capital structure.	I will be able to apply a secure and safe accounting technology or software tool as it relates to accounting activities. I will be able to analyze financial information using information technology to conduct financial analysis in the accounting industry.
AF23.10.04 Understand and describe accounting concepts as they relate to plant assets.	AF23.10.04.01 Define accounting concepts and explain practices related to plant assets and depreciation.	I will be able to define accounting concepts and explain practices related to plant assets and depreciation. I will be able to explain and demonstrate the accounting implications of plant asset purchase and disposal. I will be able to calculate and record depreciation using various methods. I will be able to explain and demonstrate the accounting implications for accrued revenue.

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF23.10.05 Explain and demonstrate accounting procedures for various types of businesses and organizations.	<p>AF23.10.05.01 Define accounting concepts and explain practices related to accounting for a partnership.</p> <p>AF23.10.05.02 Prepare a budget for city and government planning purposes.</p> <p>AF23.10.05.03 Define accounting concepts and explain practices related to accounting for a not-for-profit organization.</p> <p>AF23.10.05.04 Define accounting concepts and explain practices related to accounting for multi-business organizations.</p> <p>AF23.10.05.05 Describe the banking processes in businesses.</p>	<p>I will be able to journalize transactions related to the formation, expansion, and liquidation of a partnership.</p> <p>I will be able to calculate the distribution of partnership earnings.</p> <p>I will be able to prepare end-of-the-fiscal period statements for a partnership.</p> <p>I will be able to prepare master and flexible budgets and use them to evaluate performance.</p> <p>I will be able to explain how to use activity-based costing and why it is used.</p> <p>I will be able to differentiate between the types, purposes, and characteristics of not-for-profit organizations.</p> <p>I will be able to journalize transactions related to multi-business organizations.</p> <p>I will be able to prepare end-of-the-fiscal-period statements for multi-business organizations.</p> <p>I will be able to describe the types of services and products provided by banks and other financial service providers.</p>
AF23.10.06 Establish internal controls and procedures in compliance with applicable standards.	<p>AF23.10.06.01 Develop and implement internal control procedures that detect errors and/or fraud in transactions and accounts.</p> <p>AF23.10.06.02 Ensure internal control procedures are functioning by creating and implementing regular system checks.</p> <p>AF23.10.06.03 Assess and identify errors and/or fraud in transactions and accounts.</p> <p>AF23.10.06.04 Communicate identified errors and/or fraud in transactions and accounts and include suggestions for remedies.</p>	<p>I will be able to make and implement control procedures to detect errors and/or fraud in transactions and accounts.</p> <p>I will be able to inspect and maintain internal control procedures.</p> <p>I will be able to assess, identify, and communicate errors and/or fraud in transactions and accounts.</p> <p>I will be able to make suggestions for remedying identified errors and/or fraud in transactions and accounts.</p>

Career Field: Business, Management, and Administration

Cluster: Accounting and Finance

Program: 140710

Course Title: Microeconomics

Course Code: 24

Course Description: In this course, students learn to make informed economic choices by analyzing opportunity cost alternatives and goals that consider short and long-term costs. Through study of economic systems students will learn how scarcity impacts individuals and organizations, and how decisions about allocation, production, and distribution impact the ability to achieve societal goals. Students will explore the inter-connectivity of supply and demand in the interactions between buyers and sellers as the exchange of goods and services drives pricing, production, and distribution. The impact of resource and financial markets in determining wages, interest rates, and returns on commodities will also be explored. Course may include participation in a DECA or Business Professionals of America (BPA) student organization.

CTSO Competitive Events:

BPA: Banking and Finance, Financial Analyst, Personal Financial Management, Financial Math & Analysis Concepts, Economic Research Individual (Team), Entrepreneurship, Start-Up Enterprise Team

DECA: Business Finance Series, Financial Operations Research, Financial Consulting, Stock Market Game, Franchise Business Plan, Innovation Plan, Independent Business Plan, International Business Plan, Virtual Business Challenge--Personal Finance

Suggested Technical Skill Assessments (TSA) or Industry-Recognized Credentials:

[Precision Exams -- Economics](#)

Performance Indicators/Standards and Measures/Benchmarks were developed from the following sources:

- Minnesota Technical Skills Attainment
- Minnesota Common Core Competencies
- National Council of Economic Education
- National Business Education Association Standards
- States' Career Clusters Initiative
- MBA Research National Standards for Business Administration

Topic/Strand 10: Technical Skills

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning targets
AF24.10.01 Identify informed economic choices that support goals and alternatives based on analysis of the market and available resources.	<p>AF24.10.01.01 Analyze the basic mechanisms by which the economic system works, including approaches to the organization of production and the allocation of resources and market structures.</p> <p>AF24.10.01.02 Explain the different types of economic markets and how they function.</p> <p>AF24.10.01.03 Identify how individual economic agents make rational choices given scarce resources, and explain how to optimize the use of resources at hand.</p>	<p>I will be able to discuss how individuals and firms (economic agents) make rational choices based on self-interest (01).</p> <p>I will be able to determine why the notion of choice is necessary based on the idea that resources are scarce (01).</p> <p>I will be able to characterize various market structures that include number of businesses, product differentiation, market integration, barriers of entry, and type of business that provide different structures such as competition, monopoly, or oligopoly (01).</p> <p>I will be able to identify and discuss financial markets (capital resources), resource markets (natural resources), and labor market (human resources) and how they intersect one another in the marketplace to buy or produce goods and services (02).</p> <p>I will be able to analyze how resource and financial markets determine wages, interest rates and commodity prices (02).</p> <p>I will be able to describe correlations of economic variables within a market segment and they effect overall market conditions (03).</p>
AF24.10.02 Identify how consumer spending and production of households, business, government and others determine rates of consumption to meet societal wants and needs.	<p>AF24.10.02.01 Analyze consumer and producer behavior and how it relates to consumer demand and market service and product supply.</p> <p>AF24.10.02.02 Identify maximizing behavior of individuals in the market.</p> <p>AF24.10.02.03 Explain how indifference analysis can reflect economic utility perceived by consumers.</p>	<p>I will be able to correlate demand to consumer behavior and how scarcity creates an opportunity cost for each choice (01).</p> <p>I will be able to recognize how the consumer experiences utility with every purchase they make, and how economists measure this utility to determine a consumer's optimal rate of consumption (02).</p> <p>I will be able to discuss how individuals attempt to maximize utility by allocating and spending resources according to their preferences (02).</p> <p>I will be able to describe the difference between wants and needs in the economy (02).</p> <p>I will be able to recognize how services and products within the market reflect consumer indifference and consumer choices (03).</p> <p>I will be able to analyze how utility measures individual preferences and where greater preference results in a higher level of utility (03).</p> <p>I will be able to discuss how an indifference curve illustrates all possible combinations of two goods that provide an individual with equal levels of utility (03).</p> <p>I will be able to discuss how individual consumption of goods and services are expanded through the market where goods and services are exchanged for mutual benefit (03).</p>

<p>AF24.10.03 Explain the role of production and human resources related to the exchange of goods and services.</p>	<p>AF24.10.03.01 Explain the production function and its relationship to opportunity costs.</p> <p>AF24.10.03.02 Analyze the role of production and human resources related to the exchange of goods and services.</p> <p>AF24.10.03.03 Determine the costs of production in the short run to costs of production in the long run.</p>	<p>I will be able to analyze the behavior of a producer (a company or firm) that is subject to changing costs and diminishing returns (01).</p> <p>I will be able to explain how the production function illustrates potential production levels for different amounts of inputs for goods, capital and labor (01).</p> <p>I will be able to explain how business decisions regarding use of their resources (land, labor, capital, and entrepreneurial ability), determine what is produced, how much is produced, and at what price (02).</p> <p>I will be able to explain how individuals, businesses, and governments exchange goods and services and how these interactions determine price and quantity of goods, services, and resources (02).</p> <p>I will be able to differentiate between the demand for resources and the demand for the final goods used to produce them (02).</p> <p>I will be able to describe why a firm's costs may differ in the short run versus the long run where in the short run fixed costs are not changeable (03).</p> <p>I will be able to identify the impact of various market structures on long-run profit, price, production, and market efficiency (03).</p>
<p>AF24.10.04 Demonstrate how changes in the demand and supply of a product or service result in change in price and quantity.</p>	<p>AF24.10.04.01 Describe the relationship between utility theory and the model of supply and demand.</p> <p>AF24.10.04.02 Analyze and apply the mechanics of demand and supply for individuals, firms, and the market.</p> <p>AF24.10.04.03 Determine equilibrium in the market under various situations that either cause movements or shifts in demand and supply.</p> <p>AF24.10.04.04 Apply the concept of elasticity as a measure of responsiveness to various variables.</p> <p>AF24.10.04.05 Correlate consumer demand to consumer behavior.</p>	<p>I will be able to describe supply and demand models and the resulting market equilibrium that occurs where the supply curve and the demand curve intersect (01).</p> <p>I will be able to explain utility maximization as a ratio between goods' marginal utility and prices (01).</p> <p>I will be able to characterize what causes movements along supply and demand curves and the factors that cause the curves to shift, affecting both price and quantity (02).</p> <p>I will be able to explain how market supply is based on product cost, the number of sellers in the market and industry demand (02).</p> <p>I will be able to explain how market demand is the relationship between the price of a good and the quantity of it that consumers are willing to buy at that price (02).</p> <p>I will be able to define the factors that can change levels of supply and the factors that can change demand (02).</p> <p>I will be able to explain and graph how demand and supply curves establish market equilibrium price and quantity in response to shortages and surpluses (03).</p>

		<p>I will be able to describe how market demand is influenced by buyers' willingness and ability to pay and the number of buyers in a market (03).</p> <p>I will be able to describe elasticity as a measure of sensitivity between two economic variables (04).</p> <p>I will be able to discuss the meaning and significance of elastic, inelastic and unit elastic demand (04).</p> <p>I will be able to correlate the theory of demand to the theory of consumer behavior (05).</p> <p>I will be able to analyze how income changes impact consumer price preferences (05).</p>
AF24.10.05 Determine how market pricing and costs are determined and allocated to produce profit.	<p>AF24.10.05.01 Analyze pricing decisions and outcomes businesses face under differing market conditions.</p> <p>AF24.10.05.02 Compute the relationship between different cost functions.</p> <p>AF24.10.05.03 Analyze short-run fixed and variable costs of production and their impact on output and total cost.</p> <p>AF24.10.05.04 Identify the returns to scale and the application to long-run production, cost and quantity controls.</p>	<p>I will be able to calculate how prices are established in competitive and non-competitive economic systems (01).</p> <p>I will be able to calculate marginal costs and profits (02).</p> <p>I will be able to explain how sunk (fixed) costs and opportunity costs factor into decisions about production levels (02).</p> <p>I will be able to analyze how market conditions and production costs affect a company's decision to increase or decrease production to maximize profits (03).</p> <p>I will be able to analyze how the levels of output, employment, and prices in an economy fluctuate in the short-run as a result of spending and production decisions of households, businesses, governments, and others (03).</p> <p>I will be able to describe how supply and demand impact price considerations under conditions where fixed costs can change (04).</p>
AF24.10.06 Apply economic concepts of competition to define how economic systems address the issues of allocation, production, and distribution to meet societal economic goals.	<p>AF24.10.06.01 Apply basic economic models related to production, trade, and the circular flow of resources.</p> <p>AF24.10.06.02 Compare and contrast characteristics of perfect and imperfect competition economic system models.</p> <p>AF24.10.06.03 Compare and contrast impacts of perfect and imperfect competition economic system models on products, production levels, and prices.</p>	<p>I will be able to describe how the circular flow model reflects households sell resources to earn income to buy goods and service they sell for revenue and how the government imposes taxes and buys goods and services (01).</p> <p>I will be able to describe how business and consumer interactions in a market can increase competition and lower prices (01).</p> <p>I will be able to apply the concept of marginal analysis to make optimal choices, and identify whether choices are efficient or equitable (01).</p> <p>I will be able to compare and contrast the characteristics of perfect and imperfect competition economic system models (02).</p> <p>I will be able to differentiate between monopolistic competition and oligopoly as two models of imperfect competition (02).</p>

		<p>I will be able explain how various economic system models influence decisions on resource allocation and prices (03).</p> <p>I will be able to describe unregulated markets (which are central to perfect competition) and their inconsistency in producing desired outcomes in imperfect competition economic systems (03).</p>
AF24.10.07 Analyze how economic performance is influenced by governmental and monetary policies, as well as marketplace trends.	<p>AF24.10.07.01 Analyze how governmental and monetary policies can be used to correct or adjust marketplace performance.</p> <p>AF24.10.07.02 Analyze how economic and social issues such as world food scarcity, poverty, distribution of income, the energy crisis, and environmental pollution impact ethical economic decision-making.</p>	<p>I will be able to identify potential government interventions to address market conditions and the relationship of government and economic systems to avoid or correct market failures (01).</p> <p>I will be able to analyze market failures due to inefficient resource allocation, resulting in corrections through government intervention (01).</p> <p>I will be able to describe how international trade, exchange rates, and international agencies can create an imbalance or fill a need (01).</p> <p>I will be able to analyze how poverty and income inequality can cause long-term harm to an economy's development (02).</p> <p>I will be able to analyze causes of income inequality (02).</p> <p>I will be able to explain economic advantages for products and services by understanding societal needs and goals (02).</p>

Career Field: Business, Management, and Administration

Cluster: Accounting and Finance

Program: 140710

Course Title: Macroeconomics

Course Code: 25

Course Description: In this course, students study how a country's economy works while trying to discern among choices for improving or maintaining a nation's level of economic and societal well-being. Perspectives are examined on the roles and policies of government which establish conditions for economic gains and losses. Macroeconomics focuses on changes in price levels across all markets and around a number of goals including economic growth, price stability, and full employment. Overall economic performance is determined through measures of economic activity focusing on variables at the national level within a specific period of time. This will include an analysis of aggregate measures including national income and output, unemployment, inflation rates, and business cycle fluctuations. Students will think critically about national and global issues from a vast array of perspectives, tools, and alternatives. Course may include participation in a DECA or Business Professionals of America (BPA) student organization.

CTSO Competitive Events:

BPA: Banking and Finance, Financial Analyst, Personal Financial Management, Financial Math & Analysis Concepts

DECA: Financial Operations Research, Financial Consulting, Stock Market Game , Start Up Business Plan, Franchise Business Plan, Innovation Plan, Independent Business Plan, International Business Plan, Virtual Business Challenge--Personal Finance

Suggested Technical Skill Assessments (TSA) or Industry-Recognized Credentials:

[Precision Exams -- Economics](#)

Performance Indicators/Standards and Measures/Benchmarks were developed from the following sources:

- Minnesota Technical Skills Attainment
- Minnesota Common Core Competencies
- National Council of Economic Education
- National Business Education Association Standards
- States' Career Clusters Initiative
- MBA Research National Standards for Business Administration

Topic/Strand 10: Technical Skills

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF25.10.01 Identify how economic performance of an economy is measured and affected by long-term factors.	AF25.10.01.01 Analyze key macroeconomic concerns including national income, saving, investment, and market forces. AF25.10.01.02 Evaluate consumer income as it relates to purchase decisions that result in various levels of spending, investment, and savings that effect the overall economy.	I will be able to discuss the phases of a business cycle (01). I will be able to evaluate how savings and investment are key elements within the circular flow model and are a function of interest rates (01). I will be able to explain the connections between income, consumption, and net investment, relating them to economic growth (01). I will be able to explain how consumer income relates to spending and saving (02). I will be able to describe how savings and investment contribute to economic growth (02). I will be able to describe the consumption and savings functions and the terms attached to their slopes (02).
AF25.10.02 Identify how the unemployment rate reflects people in the workforce through frictional or temporary unemployment, structural unemployment, and cyclical unemployment.	AF25.10.02.01 Evaluate and differentiate between full employment and unemployment with the three forms of unemployment. AF25.10.02.02 Analyze the factors that impact the long-run growth of jobs in the economy.	I will be able to explain the composition of the labor force and differentiate the three forms of unemployment (01). I will be able to define frictional, structural, and cyclical unemployment (01). I will be able to describe how governments focus on three key indicators of economic growth: an increase in real GDP over time, full employment, and price level stability (02). I will be able to discuss how immigration, demographics, and output growth affect the rate of unemployment (02). I will be able to identify different ways of computing the general movement in prices that affect overall job growth and decline (02).
AF25.10.03 Explain how inflation indicates an overall rise in the price level of most, but not all, goods and services.	AF25.10.03.01 Identify the effects of inflation on the economy and standard of living through nominal and real income. AF25.10.03.02 Measure inflation in terms of change in price and how money supply is related to long-run inflation and monetary policy.	I will be able to distinguish the differences between nominal income (dollar amount received) and real income (amount of goods and services the income can buy) (01).

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
		<p>I will be able to discuss the effects of inflation on a nation's standard of living (01).</p> <p>I will be able to describe the interconnected relationship between inflation and unemployment (02).</p> <p>I will be able to discuss how inflation erodes the purchasing power of a nation's currency (02).</p>
AF25.10.04 Analyze the total output an economy generates through gross domestic product (GDP) representing the monetary value of all final goods and services.	<p>AF25.10.04.01 Examine Gross Domestic Product (GDP) as a measure of societal well-being, quality of life, and the standard of living.</p> <p>AF25.10.04.02 Describe the determinants of total output and the ways to measure nominal GDP and real GDP.</p> <p>AF25.10.04.03 Explore the forces affecting growth, inflation, and unemployment at the aggregate level, such as output, income, and the set of components within GDP.</p>	<p>I will be able to analyze the problems associated with using GDP as a measure of well-being (01).</p> <p>I will be able to identify the components of expenditure and the income approaches to the measurement of GDP (01).</p> <p>I will be able to define and differentiate nominal gross domestic product and real gross domestic product (01).</p> <p>I will be able to define economic growth in terms of changes in a production possibilities curve (02).</p> <p>I will be able to identify the determinants of aggregate demand as the sum of consumption, investment, government expenses, and net exports (02).</p> <p>I will be able to explain the factors leading to a shift in the consumption function (03).</p> <p>I will be able to discuss aggregate supply as the total output an economy produces at a given price level (03).</p>
AF25.10.05 Examine how aggregate demand and supply affect the overall economy when both are in equilibrium and when they are not.	<p>AF25.10.05.01 Describe the model of aggregate demand and aggregate supply.</p> <p>AF25.10.05.02 Explore how equilibrium is achieved relative to corresponding market conditions of price and quantity of goods and services.</p>	<p>I will be able to explain, graphically represent and interpret aggregate demand curves and short-run aggregate supply curves (01).</p> <p>I will be able to define short-run equilibrium and long-run equilibrium and discuss how they differ (02).</p> <p>I will be able to describe how changes in demand and supply lead to changes in a market's equilibrium price and quantity in the short and long-term (02).</p>
AF25.10.06 Determine how the overall performance of an economy can be influenced by government fiscal policies.	<p>AF25.10.06.01 Evaluate how a government uses fiscal policy to influence key variables in order to achieve economic growth and stability.</p> <p>AF25.10.06.02 Explain the effect of government spending, taxation, and budget deficits or surpluses on GDP.</p>	<p>I will be able to discuss how the government uses various policies and tools to achieve the goals of full employment, price stability, and economic growth (01).</p> <p>I will be able to explain how the various kinds of lags influence the effectiveness of discretionary fiscal policy (01).</p>

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
	AF25.10.06.03 Explore the conflicts and complexities and tools of fiscal policy, which involves taxing and spending policies.	<p>I will be able to identify components of U.S. government spending and their sources (02).</p> <p>I will be able to define the terms budget surplus, budget deficit, and balanced budget (02).</p> <p>I will be able to explain the difference between a budget deficit and the national debt (02).</p> <p>I will be able to define automatic stabilizers, and explain changes in government spending and taxing during macroeconomic recessions and expansions (02).</p> <p>I will be able to discuss how the bond market works, and discuss the relationship between bond prices and interest rates (02).</p> <p>I will be able to describe the relationships between money demand and money supply, interest rate, prices of stocks and bonds, aggregate demand, real GDP, and price levels (03).</p> <p>I will be able to identify and discuss domestic policies that contribute to economic growth (03).</p> <p>I will be able to describe how crowding out occurs and its connections to fiscal policies (03).</p>
AF25.10.07 Explain monetary policy as the methods government agencies, such as the U.S. Federal Reserve, engage in to encourage banks, businesses, and individuals to change their interest rates, the supply of money, and the demand for money.	<p>AF25.10.07.01 Describe the mechanics of money supply and the monetary policy.</p> <p>AF25.10.07.02 Describe how various monetary policies of the Federal Reserve are implemented and impact overall output, employment, price, and demand.</p>	<p>I will be able to describe how money serves as a medium of exchange, a store of value, and a unit of account (01).</p> <p>I will be able to define the money multiplier, and explain the money creation process (01).</p> <p>I will be able to identify money supply, and interpret a money demand curve, describing how other variables may lead to shifts in the money demand curve (01).</p> <p>I will be able to explain the primary functions of the Federal Reserve, and describe the three tools it can use as part of monetary policy (02).</p> <p>I will be able to explain how the overall performance of an economy can be influenced by the fiscal policies of government and the monetary policies of central banks (02).</p> <p>I will be able to define the roles of individual banks and the entire banking system in creating money (02).</p>

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
<p>AF25.10.08 Examine the concept of open global trade, exchange rates, and international institutions that affect economies, individuals, and governments throughout the world.</p>	<p>AF25.10.08.01 Identify how trade facilitates the movement and exchange of foreign currencies.</p> <p>AF25.10.08.02 Explain how the demand and supply of currencies determines exchange rates and affects trade.</p> <p>AF25.10.08.03 Apply the principles of absolute and comparative advantage to explain the increase in world production due to specialization and trade.</p>	<p>I will be able to describe the role of international trade in the exchange of currencies (01).</p> <p>I will be able to discuss ways countries can improve their overall economy through trade (01).</p> <p>I will be able to discuss how foreign exchange markets function by reflecting changes in the demand for or the supply of a country's currency with regards to net exports (02).</p> <p>I will be able to discuss how exchange rates can affect demand and pricing of products and services (02).</p> <p>I will be able to identify tariffs and quotas in international trade and how they relate to net exports (02).</p> <p>I will be able to discuss specialization and how it creates gains in international trade (03).</p> <p>I will be able to compare and contrast absolute advantage and comparative advantage (03).</p> <p>I will be able to discuss the advantages and disadvantages of specialization and potential pricing and profit implications (03).</p>

Career Field: Business, Management, and Administration

Cluster: Accounting and Finance

Program: 140710

Course Title: AP Accounting (College Accounting)

Course Code: 26

Course Description: College Accounting is a year-long course which covers the learning objectives of a college-level financial accounting course plus those from a managerial accounting course. Students will learn how businesses plan for and evaluate operating, financing and investing decisions and how accounting systems provide data to internal and external decisions makers. Topics include time value of money, accounting information systems, sales and receivables, fixed assets, debt and equity. Data analysis, problem solving, and decision making will be applied to analysis of financial statements, financial ratios, cost-volume profit analysis and variance analysis.

CTSO Competitive Events:

BPA: Advanced Accounting, Payroll Accounting, Banking and Finance, Financial Analyst Team, Economic Research

DECA: Personal Financial Literacy, Virtual Business Challenge: Personal Finance, Financial Literacy Promotion Project.

Suggested Technical Skill Assessments (TSA) or Industry-Recognized Credentials:

[Precision Exams – Advanced Accounting](#)

[NOCTI Exams – Accounting Advanced](#)

[College Board College-Level Examination Program \(CLEP\)—Financial Accounting](#)

Accounting Pilot Project qualifying exam--KSU Foundation c/o Accounting Pilot Project (AICPA). Contact Dr. Deines, ddeines@ksu.edu

Performance Indicators/Standards and Measures/Benchmarks were developed from the following sources:

- Minnesota Technical Skills Attainment
- Minnesota Common Core Competencies
- National Council of Economic Education
- National Business Education Association Standards
- States' Career Clusters Initiative
- MBA Research National Standards for Business Administration

Topic/Strand 10: Technical Skills

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF26.10.01 Examine accounting and financial reporting and its role in providing business information and analysis.	<p>AF26.10.01.01 Explain how the conceptual framework of accounting and generally accepted accounting principles provide guidance and structure for preparing financial statements.</p> <p>AF26.10.01.02 Describe the parts of and information provided in each financial statement and their relationship with each other.</p> <p>AF 26.10.01.03 Identify and explain the management cycle (planning, evaluating, performing) and business processes (business organization and strategy, capital resource, operating, performance measurement and management).</p> <p>AF 26.10.01.04 Calculate the operating cycle (accounts receivable turnover and inventory turnover).</p> <p>AF 26.10.01.05 Explain how internal control procedures are used to safeguard assets.</p> <p>AF26.10.01.06 Prepare a bank reconciliation.</p>	<p>I will be able to describe the development of business and accounting.</p> <p>I will be able to explain the elements of accounting (assets, liabilities, owners' equity, revenue, expense, and net income).</p> <p>I will be able to identify the differences of the basic types of businesses and business structures.</p> <p>I will be able to identify the purpose and relationship among financial statements.</p> <p>I will be able to calculate gross margin (gross profit), current ratio, return on sales ratio, and debt to equity ratio.</p> <p>I will be able to explain the management cycle and the four basic business processes (business organization and strategy, capital resource, operating, and performance measurement and management).</p> <p>I will be able to identify internal accounting controls and describe their significance.</p> <p>I will be able to calculate the operating cycle (accounts receivable turnover and inventory turnover).</p> <p>I will be able to perform a two-column bank reconciliation.</p>
AF26.10.02 Examine operating processes and apply strategic planning and short-term decision-making.	<p>AF26.10.02.01 Identify the activities in the three operating processes (revenue, expenditure, and conversion).</p> <p>AF26.10.02.02 Identify and explain variable costs, fixed costs, and mixed costs.</p> <p>AF26.10.02.03 Use high-low analysis to determine variable costs, fixed costs, and mixed costs.</p>	<p>I will be able to identify the revenue process, expenditure process, conversion process.</p> <p>I will be able to describe and calculate fixed, variable, and mixed costs and revenue.</p> <p>I will be able to use the high/low analysis method to determine fixed costs, variable costs and revenue.</p> <p>I will be able to calculate break-even point and perform cost-volume-profit (CVP) analysis.</p>

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
	<p>AF26.10.02.04 Calculate break-even point and perform cost-volume-profit (CVP) analysis.</p> <p>AF26.10.02.05 Apply sensitivity analysis to CVP analysis.</p> <p>AF26.10.02.06 Determine selling price using sensitivity analysis and CVP analysis.</p> <p>AF26.10.02.07 Describe the process of determining selling price and demonstrate how various strategies are used to determine selling price.</p> <p>AF26.10.02.08 Describe the differences among product and non-product costs.</p> <p>AF26.10.02.09 Identify and explain product costs: direct/indirect materials, direct/indirect labor, manufacturing overhead.</p> <p>AF26.10.02.10 Analyze accept-or-reject and make-or-buy decisions.</p>	<p>I will be able to apply sensitivity analysis to CVP analysis.</p> <p>I will be able to describe the differences among product, non-product, unit-related, batch-related, product-sustaining, and facility-sustaining costs.</p> <p>I will be able to describe how selling price might be set and various strategies to determine selling price (penetration pricing, predatory pricing, skimming, price gouging, life-cycle pricing and target pricing).</p> <p>I will be able to identify and explain the differences among product and non-product costs.</p> <p>I will be able to identify and explain product costs including direct/indirect materials, direct/indirect labor, and manufacturing overhead.</p> <p>I will be able to explain and analyze a variety of relevant variable analysis decisions including short-term special order decision, short-term outsourcing decision, short-term product mix decision, accept-or-reject decision and make-or-buy decision.</p>
AF26.10.03 Examine the accounting and inventory systems of a business.	<p>AF26.10.03.01 Explain the impact of accounting events including adjusting and closing entries on the accounting equation.</p> <p>AF26.10.03.02 Journalize and post entries in a double-entry accounting system.</p> <p>AF26.10.03.03 Analyze and describe how business transactions impact the accounting equation.</p> <p>AF26.10.03.04 Complete the steps of the accounting cycle and prepare financial statements for different types of business operations and ownership structures.</p>	<p>I will be able to describe the purpose of an accounting system.</p> <p>I will be able to describe the purpose and relationship of journals and ledgers.</p> <p>I will be able to analyze and describe how business transactions impact the accounting equation.</p> <p>I will be able to record and post journal entries in a double-entry accounting system.</p> <p>I will be able to record and describe the impact of adjusting events on the accounting equation.</p> <p>I will be able to record and describe the impact of closing events on the accounting equation.</p>

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
	<p>AF26.10.03.05 Analyze inventory systems and record business transactions using the periodic and perpetual inventory systems.</p> <p>AF26.10.03.06 Examine the procedures and perform the functions for calculating payroll and payroll taxes.</p>	<p>I will be able to prepare financial statements for different types of business operations and ownership structures.</p> <p>I will be able to explain the difference between periodic and perpetual inventory systems.</p> <p>I will be able to record inventory activities in a periodic and perpetual inventory system.</p> <p>I will be able to describe the difference between net price and gross price methods for recording inventory and record business transactions for each.</p> <p>I will be able to determine cash paid for inventory and operating expenses.</p> <p>I will be able to explain, calculate and record payroll and payroll taxes.</p>
AF26.10.04 Examine accounting procedures for sales and inventory systems.	<p>AF26.10.04.01 Determine revenue and record revenue transactions.</p> <p>AF26.10.04.02 Analyze and record transactions for accounts receivable including uncollectible accounts, write-offs, and recoveries.</p> <p>AF26.10.04.03 Identify and describe the cost flow assumptions for inventory and explain the impact on the balance sheet and the income statement.</p> <p>AF26.10.04.04 Examine and calculate cost of goods sold and ending inventory using LIFO and FIFO inventory costing methods.</p> <p>AF26.10.04.05 Examine and analyze the elements (direct materials, direct labor, overhead, administrative) and the flow of costs through the manufacturing accounts used in product costing.</p>	<p>I will be able to determine revenue and record related transactions.</p> <p>I will be able to explain and perform the accounting methods to determine the value of accounts receivable.</p> <p>I will be able to record transactions for accounts receivable, including uncollectible accounts, write-offs, and recoveries.</p> <p>I will be able to identify and describe cost flow assumptions for inventory and explain the impact on the balance sheet and income statement.</p> <p>I will be able to calculate cost of goods sold and ending inventory using LIFO and FIFO inventory costing methods.</p> <p>I will be able to explain the flow of costs (conversion process activities and internal controls) through the manufacturing accounts used in product costing and identify the costs elements (direct materials, direct labor, overhead, administrative) in the manufacturing process.</p>

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
		<p>I will be able to compute a predetermined overhead rate and explain its use in job-order costing.</p> <p>I will be able to determine if manufacturing overhead is over/under-applied.</p> <p>I will be able to prepare journal entries to record the costs of direct material, direct labor, and manufacturing overhead in a job-order costing system.</p> <p>I will be able to prepare a schedule of cost of goods manufactured, a schedule of cost of goods sold, and an income statement for a manufacturer.</p>
AF26.10.05 Examine the time-value of money and the risk/return relationship.	<p>AF26.10.05.01 Understand the relationship between risk and return.</p> <p>AF26.10.05.02 Determine the present value and future value of cash flows.</p>	<p>I will be able to distinguish between return of and return on investment.</p> <p>I will be able to compare expected rate of returns to determine the best investment.</p> <p>I will be able to distinguish and calculate simple versus compound interest.</p> <p>I will be able to calculate the present and future value of money in a variety of investments, including annuities.</p>
AF26.10.06 Examine accounting procedures to explain, record, and report assets.	<p>AF26.10.06.01 Examine the concept of cost of capital and calculate it for a company.</p> <p>AF26.10.06.02 Use net present value concepts to make investment decisions.</p> <p>AF26.10.06.03 Explain, calculate, and record depreciation using a variety of methods.</p> <p>AF26.10.06.04 Classify, record and report investment transactions.</p>	<p>I will be able to describe the way capital is acquired in a business and calculate a business cost of capital.</p> <p>I will be able to define and use a net present value analysis to make investment decisions.</p> <p>I will be able to explain long-term asset purchases, record, and report them.</p> <p>I will be able to calculate and record depreciation (straight-line, units-of-production, and double declining balance), depletion, and amortization and explain the impact on the financial statements.</p> <p>I will be able to record and report transactions involving non-operational investments.</p>

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
		I will be able to define the ways to classify (trading securities, available-for-sale securities, held-to-maturity securities, equity method securities, consolidated financial statements), account for and report (historic cost, mark-to-market, market value to fair value) investments.
AF26.10.07 Record, report and analyze capital investments, stock transactions, and long-term notes.	<p>AF26.10.07.01 Compare and contrast debt and equity financing.</p> <p>AF26.10.07.02 Identify and describe different classes of stock and explain the rights afforded to each class of stock.</p> <p>AF26.10.07.03 Describe the difference between cash dividends, stock dividends and stock splits and the impact on the financial statements.</p> <p>AF26.10.07.04 Record stock transactions, contributions by owners, corporate distributions (dividends), and the reacquisition of company stock.</p> <p>AF26.10.07.05 Compare and contrast a periodic payment note payable, a lump-sum note payable, and a periodic and lump-sum note payable.</p> <p>AF26.10.07.06 Calculate the carrying value, interest expense and cash payment for a note payable (periodic payment, lump-sum, and periodic and lump-sum) transactions.</p> <p>AF26.10.07.07 Record transactions for note payable issuance and interest expense.</p> <p>AF26.10.07.08 Record transactions for bonds issued at face value, a premium and a discount.</p> <p>AF26.10.07.09 Identify the long-term debt amortization impact on financial statements.</p>	<p>I will be able to compare and contrast debt and equity financing.</p> <p>I will be able to calculate and evaluate the risks and rewards of debt financing using appropriate tools.</p> <p>I will be able to identify the types of stocks and the rights afforded to each class of stock.</p> <p>I will be able to describe the difference between cash dividends, stock dividends and stock splits and the impact on the financial statements.</p> <p>I will be able to record stock transactions, contributions by owners, corporate distributions (dividends), and the reacquisition of company stock.</p> <p>I will be able to compare and contrast a periodic payment note payable, a lump-sum note payable, and a periodic and lump-sum note payable.</p> <p>I will be able to calculate the carrying value, interest expense and cash payment for a note payable (periodic payment, lump-sum, and periodic and lump-sum) transactions.</p>

Performance Indicator/Standard	Measures/Benchmarks	Sample Learning Targets
AF26.10.08 Prepare and analyze financial statements and calculate item analysis on financial statements.	<p>AF26.10.08.01 Describe the purpose of various business financial statements and the information required for their preparation.</p> <p>AF26.10.08.02 Prepare and analyze business financial statements including statement of comprehensive income, statement of equity, statement of cash flows, and balance sheet.</p>	<p>I will be able to describe the purpose of various business financial statements and the information required for their preparation.</p> <p>I will be able to calculate the difference in net income and income from continuing operations (discontinued operations).</p> <p>I will be able to define and calculate earnings per share.</p> <p>I will be able to prepare statement of comprehensive income, statement of equity, balance, sheet, and statement of cash flows.</p> <p>I will be able to analyze and make recommendations from the information in the statement of comprehensive income, statement of equity, statement of cash flows, and balance sheet.</p>