

FBLA: BUSINESS CALCULATIONS

Competency: Depreciation	
Tasks	
1.	Distinguish between straight-line method, declining balance method, sum of the years digits method, and MACRS method.
2.	Determine straight-line depreciation for a year.
3.	Determine the depreciation expense on plant assets by the sum of the years digits and declining balance.
4.	Determine modified accelerated cost recovery system depreciation.
5.	Use the straight-line depreciation method to find the value of an asset.
Competency: Bank Records	
Tasks	
1.	Compare different types of banking options such as credit unions and other banks.
2.	Identify the types of banking services and their costs for meeting various needs.
3.	Write a check, prepare deposits, and prepare withdrawal slips.
4.	Maintain a check register including proper procedures for ATM and automatic payment withdrawals.
5.	Reconcile a bank statement.
6.	Utilize online banking and bill payment options securely.
Competency: Consumer Credit	
Tasks	
1.	Identify the costs, benefits, and sources of various types of credit.
2.	Calculate sales tax and compute total price with sales tax.
3.	Compute total purchase price with interest/finance charges added.
4.	Compute the costs involved in owning and buying an item such as an automobile, appliances, home, or furniture.
5.	Compute finance charges for single payment loans.
6.	Calculate installment loan costs such as amount financed, installment price, finance charge, and installment payment.
7.	Find the estimated annual percentage rate (APR) using a table.
8.	Compare costs of leasing and buying.
9.	Find the finance charge and new balance using the average daily balance method.
10.	Read amortization tables to determine payment, interest and balance.
11.	Compute Annual and monthly Percentage Rate for credit cards or loan.
12.	Find the monthly mortgage payment.
13.	Find the total interest on a mortgage and the PITI.
14.	Prepare a partial amortization schedule of a mortgage.
15.	Compare the total interest paid on a 15-year and 30-year fixed rate mortgage.
16.	Define and compare the interest only, fixed rate, and adjustable rate loans.

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Competency: Data Analysis and Reporting	
Tasks	
1.	Using a data set, determine mean, median, and mode.
2.	Distinguish between a simple average and a weighted average and calculate each.
3.	Identify and construct various types of graphs and charts
4.	Compile and arrange facts in organized manner for a table, chart, or figure.
5.	Explain or prepare written summary of findings expressed in tables, charts, graphs and figures.
6.	Make predictions and decisions based on data and communicate their reasoning.
7.	Explain the usage of statistics, probability, and systems of measurement in business.
Competency: Insurance	
Tasks	
1.	Identify and compare types of insurance.
2.	Read insurance premium charts and determine the cost of a particular policy.
3.	Analyze insurance proposal for auto and determine costs of compulsory insurance and costs of optional coverage.
4.	Analyze health insurance premiums and calculate based on selected options.
5.	Compute the costs and benefits of specific insurance plans.
6.	Analyze deductibles and their effect on policy.
Competency: Interest Rates	
Tasks	
1.	Figure rates, interest, and proceeds of bank discounts.
2.	Calculate simple interest using the simple interest formula.
3.	Calculate any single variable—principal, interest rate, amount of interest, or time—given the other three.
4.	Explain the process of discounting a promissory note and calculate the proceeds of a discounted promissory note.
5.	Define maturity value and find the maturity value of a loan.
6.	Convert months to a fractional or decimal part of a year.
7.	Find the future value and compound interest by compounding manually.
8.	Find the interest compounded daily using a table.
Competency: Inventory	
Tasks	
1.	Determine the cost and value of inventory.
2.	Determine rate of inventory turnover.
3.	Determine the value of ending inventory using Average Cost (weighted average), FIFO, and LIFO.

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Competency: Investments	
Tasks	
1.	Define investment terms such as risk, yields, P/E ratio, and rate of return.
2.	Explain the effect compounding has in an investment and lending environment.
3.	Compare investment decisions and make mathematical comparisons of investment alternatives.
4.	Calculate the net present value of an investment such as certificate of deposit, savings account, stocks, and mutual funds.
5.	Determine stock yield, earnings per share, and price-earnings ratio.
6.	Compute the anticipated rate of return on specific investments and savings accounts using various factors such as simple or compound interest, dividends, fees, etc.
Competency: Mark-ups and Discounts	
Tasks	
1.	Identify the various types of discounts.
2.	Calculate chain, trade, and cash discounts and net selling price of each kind of discount.
3.	Determine price of product after coupons and/or rebates.
4.	Define and calculate markup and markdown.
5.	Determine the rate of the markup or markdown.
6.	Find the cost, markup or selling price when any two of the three are known.
7.	Find the amount of markdown, the reduced price and the percent of markdown of an item.
8.	Calculate markup based on cost.
9.	Calculate markup based on selling price.
10.	Convert markups from cost to selling price or from selling price to costs.
Competency: Payroll	
Tasks	
1.	Calculate pay based on piecework, salary, commissions, and graduated commissions.
2.	Calculate gross pay based on an hourly wage with an overtime policy.
3.	Calculate an employee's net earnings per paycheck.
4.	Prepare an individual payroll or earnings record.
5.	Find federal tax withholding per paycheck using IRS tax tables and IRS percentage method.
6.	Calculate Social Security Tax and Medicare tax per paycheck.
7.	Find an employer's total deposit for withholding tax, social security tax, and Medicare tax per pay period and quarterly.
8.	Calculate federal and state unemployment taxes.
9.	Compute business expenses related to employees: benefits, disability insurance, travel, and employee training.

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Competency: Ratios and Proportions	
Tasks	
1.	Define the terms <i>ratio</i> and <i>proportion</i> .
2.	Use ratios to evaluate profitability, efficiency, and leverage.
3.	Create ratios to express the quantitative relationship between two amounts.
4.	Use ratios, proportions, and percents to solve problems involving financial calculations.
5.	Analyze and explain methods for solving problems involving proportions such as scaling and finding equivalent ratios.
Competency: Taxes	
Tasks	
1.	Define tax terms such as standard deduction, itemized deductions, exemptions, and various types of taxes such as income tax, sales tax, and property tax.
2.	Define and calculate property taxes based on local percentages/guidelines.
3.	Calculate sales tax on purchase.
4.	Complete a 1040 EZ Federal Income Tax Form with a W2 form.
5.	Prepare a 1040 A using W2 and 1099 Interest form.
6.	Complete basic tax forms such as W2 and W4.

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