Test Type: This Programs of Study assessment is a customized assessment for the MBAResearch and Curriculum Center. Programs of Study assessments measure technical skills at the occupational level and include items which gauge factual and theoretical knowledge. This assessment offers a written component and is intended for use at the secondary level. This assessment is delivered entirely through QuadNet™, NOCTI's online testing system.

Revision Team: This assessment was developed by MBAResearch and Curriculum Center, a not-for-profit 501(c)(3) organization operated by 30+ state education departments. Assessment content is based on standards validated by industry professionals throughout the U.S.

52.0899 – Finance and Financial Management Services, Other

Career Cluster 6- Finance

11-3031.00 – Financial Managers

The Association for Career and Technical Education (ACTE), the leading professional organization for career and technical educators, commends all students who participate in career and technical education programs and choose to validate their educational attainment through rigorous technical assessments. In taking this assessment you demonstrate to your school, your parents and guardians, your future employers and yourself that you understand the concepts and knowledge needed to succeed in the workplace. Good Luck!

MBAResearch believes that “proof of learning” is the first step toward a future career. Students who successfully complete a research-based assessment put themselves a step ahead of their competitors – for college admission and for beginning substantive careers in business. MBAResearch is proud to be the primary source of industry-validated standards and curriculum for business careers, for many high school and community college business administration curricula, and for many assessments offered here.
This written assessment consists of questions to measure an individual’s factual theoretical knowledge.

**Administration Time:** 1 hour and 40 minutes  
**Number of Questions:** 100  
**Number of Sessions:** This assessment may be administered in one or two sessions.

### Areas Covered

- **Business Law**: 2%  
- **Compliance**: 1%  
- **Communications**: 5%  
- **Customer Relations**: 6%  
- **Economics**: 13%  
- **Financial Analysis**: 35%  
- **Financial Information Management**: 2%  
- **Human Resources Management**: 1%  
- **Marketing**: 1%  
- **Information Management**: 8%  
- **Operations**: 6%  
- **Professional Development**: 16%  
- **Selling**: 3%  
- **Strategic Management**: 1%
Specific Competencies and Skills Tested in this Assessment

Business Law
• Discuss the impact of the Sarbanes-Oxley Act of 2002 on accounting
• Discuss the effect of tax laws and regulations on financial transactions

Compliance
• Discuss the nature and scope of compliance in the finance industry

Communications
• Defend ideas objectively
• Participate in group discussions
• Utilize note-taking strategies
• Select and use appropriate graphic aids
• Write informational messages

Customer Relations
• Demonstrate a customer-service mindset
• Respond to customer inquiries
• Handle difficult customers
• Identify company's brand promise
• Determine ways of reinforcing the company's image through employee performance
• Explain the responsibilities of finance professionals in providing client services
Specific Competencies and Skills (continued)

**Economics**

- Distinguish between economic goods and services
- Explain the concept of economic resources
- Describe the concepts of economics and economic activities
- Determine economic utilities created by business activities
- Describe the functions of prices in markets
- Discuss the global environment in which businesses operate
- Identify factors affecting a business's profit
- Explain the concept of competition
- Discuss the measure of consumer spending as an economic indicator
- Describe the economic impact of inflation on business
- Explain the concept of Gross Domestic Product (GDP)
- Determine the impact of business cycles on business activities
- Explain the nature of global trade
Financial Analysis

- Explain types of financial markets
- Explain fundamental analysis used in making investment decisions
- Describe information that can be obtained from annual reports
- Explain strategies for selecting investments
- Describe sources of securities information
- Assess securities' fundamentals
- Choose investments based on security's fundamental analysis
- Explain the use of technology in accounting
- Describe the nature of cash flow statements
- Prepare cash flow statements
- Explain the nature of balance sheets
- Describe the nature of income statements
- Discuss the nature of the accounting cycle
- Demonstrate the effects of transactions on the accounting equation
- Prepare a chart of accounts
- Prepare a trial balance
- Prepare income statement
- Prepare balance sheets
- Explain cash-control procedures
- Prepare invoices
- Explain the nature of the voucher system
- Explain the nature of special journals
- Maintain a vendor file
- Prepare a credit memorandum for returned goods
- Process accounts payable checks
- Prepare an accounts payable schedule

(Continued on the following page)
Specific Competencies and Skills (continued)

Financial Analysis (continued)
- Analyze purchase transactions
- Prepare customer statements
- Process sales returns and allowances
- Process customer payments
- Explain the nature of accounts receivable
- Maintain employee earnings records
- Calculate employee earnings (e.g. gross earnings, net pay)
- Explain the natural and scope of financial globalization
- Explain the role of finance in business

Financial Information Management
- Explain the role of ethics in financial-information management
- Discuss types of accounting systems used to report a business’s financial position

Human Resources Management
- Orient new employees

Marketing
- Describe marketing functions and related activities

Information Management
- Discuss the nature of information management
- Identify ways that technology impacts business
- Explain the role of information systems
- Demonstrate basic word processing skills
- Demonstrate basic database applications
- Demonstrate basic spreadsheet applications
- Assess information needs
- Integrate technology into accounting

(Continued on the following page)
Specific Competencies and Skills (continued)

**Operations**
- Explain the nature of operations
- Report noncompliance with business health and safety regulations
- Maintain a safe work environment
- Explain routine security precautions
- Explain the nature and scope of purchasing
- Explain the concept of production

**Professional Development**
- Set personal goals
- Make decisions
- Demonstrate appropriate creativity
- Use time-management skills
- Analyze employer expectations in the business environment
- Identify tentative occupational interest
- Utilize job-search strategies
- Interview for a job
- Explain possible advancement patterns for jobs
- Describe the role and responsibilities of general ledger accountants
- Discuss the role and responsibilities of government accountants
- Discuss the role and responsibilities of forensic accounts
- Discuss the use of Generally Accepted Accounting Principles (GAAP)
- Describe techniques for obtaining work experience
- Discuss licensure and certification available to finance professionals
- Discuss opportunities for building professional relationships in finance

**Selling**
- Discuss the nature of life insurance
- Explain the nature of stocks
- Explain the nature of bonds

**Strategic Management**
- Explain the concept of management
Sample Questions

Accounting records are concerned with the _________ of a business.
A. safety policies
B. monetary transactions
C. organizational structure
D. goals and objectives

Before choosing securities in which to invest your money, your first step is to
A. identify your goals.
B. select a stock screener.
C. investigate your online options.
D. evaluate the market cap.

In which category of the income statement does a business place inventory losses due to
theft:
A. Cost of goods sold/cost of sales
B. Capital goods
C. Operating expenses
D. Long-term liability