

Abraham Baldwin Agricultural College
Division of Agriculture and Forest Resources

Agricultural Financial Management -AECO 3430 Course Syllabus

Instructor

Dr. Renata Elad
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Office hours

Mon, Wed, Fri : 9:00am - 9:50am
Mon, Wed: 3:30pm - 5:00pm
Other times by appointment

Email correspondence: Always include the class number and meeting time in the subject else the mail will be junked.

Meeting times: MWF 1000-1050 in 131 Ag Sci. (Lectures)
F 1000-1050 in 132 Ag Sci. (Labs to be announced)

Text

No text is assigned for this course.

Reading materials will be assigned/distributed in the class, as needed. Students are also encouraged to use other news media (print or on-line) for practical illustrations of concepts discussed in the class.

Prerequisite:

Students must have successfully completed either AECO2200 or ACCT2101.

Materials:

Lectures: Notebook with instructor-provided notes, calculator, writing implements. You will also need access to WebCT, and must be familiar with word processing and spreadsheet software.

Labs: Flash drive, Notebook with instructor-provided notes, calculator, writing implements. You will also need to be familiar with spreadsheet software.

Note: Students are required to familiarize themselves with the lecture material before each class (see Course Calendar's assigned reading). At the end of class students are required to prepare three questions to ask the instructor relating to material covered.

Course Description:

This course is intended to introduce you to finance as used in agribusiness, farming, financial institutions, and, more broadly, in the financial services industry. The course

teaches you to read and interpret financial statements, appropriately analyze investment opportunities, and increase understanding of financial issues. Students are expected to use financial information to evaluate the performance of an agribusiness and make informed managerial choices.

Course Philosophy:

I trust your intellectual curiosity is such that you are not learning for my sake. Rather, learning should be an interactive and pleasurable experience, especially as you realize that this course is more or less a formal representation of your day-to-day experiences and knowledge. Use me as a resource person, I am here for your benefit within and outside of this course.

Course Outcomes:

By the end of the semester you are expected to demonstrate an understanding of a farm's financial environment by accomplishing the following:

1. Explain the 10 principles of financial management.
2. Describe the components of the financial market's interest rate.
3. Explain the four tools/skills essential for proper financial management.
4. Describe and explain the basic components of the four financial statements used in agribusiness.
5. Interpret common ratios used in financial analysis.
6. Describe the various sources of liquidity on the farm business.

Class Grade:

Here is the breakdown of the final grade:

| | |
|-------------|------|
| Test #1 | 20 % |
| Test #2 | 20 % |
| Assignments | 40 % |
| Final Exam | 20 % |

Grading scale: 90 and above = A; 80 - 89.9 = B; 70 - 79.9 = C; 60 - 69.9 = D; 59.9 and below = F.

Bonus points

- ★ Attendance: A perfect attendance record will earn you 5 bonus points towards the final class grade.

Class policy

Hourly Tests

Everyone is required to take the hourly tests and final exam at the scheduled time. Tests and the final exam have been scheduled in the course outline, to allow you organize your schedule accordingly. There will be no make up exams except for students with absences due to medical reasons or school-sponsored events. Make up tests when justified, will be given at the end of the semester **right after the final exam. The final exam is compulsory and failure to take it will result in a failing grade.**

For the purpose of clarification, an excused absence is one taken for any of the following reasons: Personal bereavement; justifiable medical reasons (with a doctor's note or letter from parent); ABAC sponsored event; regional natural disaster.

Assignments

All assignments will be made available throughout the semester in class and on WebCT, with due dates and times specified. Assignments should be submitted at the beginning of class, uploaded as MS Word® or PDF® attachments on the WebCT "assignment page", or dropped in my office by the before the deadline. **Multiple documents must be combined into one attachment.** All assignments not in my possession by the deadline will be considered late and **not graded.**

All calculations should be carried out to the final answer suitable for discussion do not leave incomplete answers. Only work in the proper format will be accepted and graded. **Unless specified otherwise, all material submitted to the instructor should be typed using 12 pt font double spacing, on 8.5" by 11" paper, with 1" margins on all sides, and tables presented in MS Excel. Multiple pages should be stapled.** Appropriate material for submission must include the students full name, course name and number, class time, and title for the submission. Incorrectly presented submissions could receive a zero grade or point deductions.

All academic work must meet ABAC's standards of honesty. Each student is responsible to inform themselves about ABAC's Code of conduct, as found in the student handbook <http://www.abac.edu/ses/handbook/CodeofConduct.pdf>, before performing any academic work. Any student displaying academic dishonesty will receive a failing grade roe the work done.

Class Participation and Attendance

Abraham Baldwin Agricultural College expects all students to conduct themselves in a responsible manner as individuals who understand that they are accountable for the choices they make as students. Class participation is encouraged and can be rewarded. A polite attitude and manner of speech will be expected of all students towards each other and towards the instructor, at all times. **Class participation also means being prepared so students coming to class without the required class materials will be sent out of class.**

No hats or caps will be worn during class in order not to obstruct the view of the instructor or other students. Students caught sleeping in class will be considered absent, and could be expelled from that session. Anyone whose beeper, pager or phone rings during lectures will be asked to leave the first time. The second time the student will leave and 2pts subtracted from the upcoming test. Late-coming is not permitted and students will be locked out of that class session (see statement below from the School of Agriculture and Natural Resources)

Special Notice -

Students in Agriculture and Natural Resources

Classroom management is essential to academic success. Anything that disrupts the classroom is detrimental to academic success. Tardy student arrival has become a problem in our classes. Not only is this disruptive, but it is teaching our students that it is acceptable to be late. Employers have no tolerance for late arrivals, nor should ABAC. It is the responsibility of the faculty to simulate workforce expectations to prepare our students to be successful as a professional.

Students will no longer be allowed to enter the classroom late. Tardy is equivalent to absent. There is no excuse. Manage your life to remove all risk of being late to class.

ATTENDANCE POLICY

The instructor will keep attendance records. Absence from class, for whatever reason, does not excuse a student from full responsibility for class work or assignments missed. Students must accept this responsibility. Whenever a student is absent, excused or not, the student must assume responsibility and provide notice to the instructor in

order to make arrangements for any assignments and class work missed because of the absence. However, final approval for make-up work remains with the instructor.

Students whose absences are equivalent to more than two weeks of instruction could receive a grade of "F" for the course. A student who stops attending class without officially withdrawing from the course is subject to this attendance policy and will receive the earned grade for the course.

ANY STUDENT IN THIS CLASS WITH SPECIAL LEARNING NEEDS SHOULD PLEASE COME SEE ME AS SOON AS POSSIBLE.

**Agricultural Financial Management
Course Calendar Fall 2011**

| Week | Chapters to be covered (Reading Assignment) |
|-----------------------|---|
| 15 -19 Aug | Chp 01: An Introduction to Financial Management. |
| 23 - 26 Aug | Chp 01: An Introduction to Financial Management. |
| 29 Aug - 2 Sept | Chp 02: The Financial Market . |
| 5 - 9 Sept | Labor Day Holiday September 5 th Chp 03: Introduction to Financial Statements. |
| 12 - 16 Sept | Chp 04: Financial Statements: Balance Sheet. |
| 19 - 23 Sept | Chp 04: Financial Statements: Balance Sheet. Test I: September 23rd Chp 1 - 3 |
| 26 - 30 Sept | Chp 05: Financial Statements: Income Statement. |
| 3 - 7 Oct | Midterm withdrawal deadline October 5 th Chp 05: Financial Statements: Income Statement. |
| 10- 14 Oct | Chp 06: Financial Statements: Statement of Owner Equity. |
| 17 - 21 Oct | Fall Break October 17-18 Chp 07: Financial Statements: Statement of Cash Flow. |
| 24 - 28 Oct | Chp 08: Financial Statement Analysis: Part I. |
| 30 Oct - 4 Nov | Chp 08: Financial Statement Analysis: Part I. Test II: November 4th - Chp 4-7 |
| 7 - 11 Nov | Chp 09: Financial Statement Analysis: Part II. |
| 14 - 10 Nov | Chp 10: Liquidity, and Credit Evaluation. |
| 21 - 25 Nov | Thanksgiving Break November 23-25 Chp 10: Liquidity, and Credit Evaluation. |
| 28 Nov - 2 Dec | Chp 11: Capital Budgeting. |
| 5 - 8 Dec | Final Exams and Make-up Tests: See College calendar |