

Abraham Baldwin Agricultural College
Department of Agriculture

Agricultural Financial Management -AECO 3430
Course Syllabus

Instructor

Dr. Renata Elad
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Office hours

Mon & Wed: 2:00pm - 5:00pm
Other times by appointment

Meeting times: TR 1100-1215 in 131 Ag Sci. (Lectures)
R 1100-1215 in 132 Ag Sci. (Labs to be announced)

Text

Financial Management in Agriculture, by Barry; Ellinger; Hopkin; Baker (6th Edition) - Optional.
Additional reading materials may be distributed in the class, if needed. Students are also encouraged to read other news magazines (printed or on-line editions) 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.

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. Using skills learned in the course, students should understand the performance of any agribusiness by looking at its financial information, as well as make more informed choices about managerial decisions.

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. Explain the common ratios used in financial analysis.
6. Interpret financial analysis data presented in financial statements
7. Explain the concept of time value of money and its role in asset valuation, financing, and capital budgeting.
8. Describe the role of credit in the farm business.

Class Grade:

Here is the breakdown of the final grade:

Test #1	25 %
Test #2	25 %
Assignments	25 %
Final Exam	25 %

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 policyHourly 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.**

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 to me at the beginning of class,

uploaded as word/PDF attachments in WebCT, or dropped in my office by the before the deadline. All assignments not in my possession by the deadline will be considered late.

All calculations should be carried out to the final answer suitable for discussion do not leave incomplete answers. Only work turned in on clean paper (not torn carelessly from a notebook) written out with no cancellations, neatly, legibly and 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.** Submitted material should include the students full name, course name/number, class time, a title for the submission. Extra points will be given for typed and /or neat assignments. Conversely, incorrectly presented submissions could receive a zero grade.

Class Participation

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. Late-coming is not permitted and students may be locked out of that class 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.

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.

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.

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.

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

**Agricultural Financial Management
Course Calendar Fall 2009**

Week	Chapters to be covered (Reading Assignment)
17 -21 Aug	Chp 01: An Introduction to Financial Management.
25 - 28 Aug	Chp 01: An Introduction to Financial Management.
31 Aug - 4 Sept	Chp 02: The Financial Market .
7 - 11 Sept	Labor Day Holiday September 7 th Chp 03: Introduction to Financial Statements.
14 - 18 Sept	Chp 04: Financial Statements: Balance Sheet.
21 - 25 Sept	Chp 04: Financial Statements: Balance Sheet. Test I: September 25th Chp 1 - 4
28 Sep - 2 Oct	Chp 05: Financial Statements: Income Statement.
5 - 9 Oct	Midterm withdrawal deadline October 8 th Chp 05: Financial Statements: Income Statement.
12- 16 Oct	Chp 06: Financial Statements: Statement of Owner Equity.
19 - 23 Oct	Fall Break October 19-20 Chp 07: Financial Statements: Statement of Cash Flow.
26 - 30 Oct	Spring Break March 17-21
2 - 6 Nov	Chp 08: Financial Statement Analysis: Part I. Test II: November 5th - Chp 5-7
9 - 13 Nov	Chp 09: Financial Statement Analysis: Part II.
16 - 20 Nov	Chp 10: The Time Value of Money and Capital Budgeting.
23 - 27 Nov	Thanksgiving Break November 25-27 Chp 10: The Time Value of Money and Capital Budgeting.
30 Nov - 4 Dec	Chp 11: Liquidity, and Credit Evaluation.
8 - 11 Dec	Final Exams and Make-up Tests: December 10th 10:30 - 12:30