

## Dakota College at Bottineau Course Syllabus

Course Prefix/Number/Title: **AGEC 246 Agricultural Finance**

Number of credits: 2 Lecture/1 Lab

**Course Description:** Introduction to agricultural finance; provides background in farm and agribusiness credit use and evaluation. Discussion of specific financial conditions on farms and in agribusiness. Topics include: financial statement preparation and analysis; capital structure (debt and equity); investment analysis; time value of money; interest rates; and credit markets and suppliers.

Pre-/Co-requisites: None

**Course Objectives:** The purpose of this course is to become better able to make effective financial decisions. Tools for financial decision making will be discussed. Coverage of subject matter will be broad enough to capture the “big picture” but detailed enough to provide you with useful tools to deal with the many types of problems you encounter in the future. Some of the specific differences in financing agricultural businesses will be discussed along with financial institutions that provide credit to agriculture.

1. Expand critical thinking competence.
  - a. Discuss the importance of goal setting and financial planning in agricultural business.
  - b. Recognize the impact of policy on financial issues in agriculture.
  - c. Understand the cost of financial capital.
  
2. Demonstrate problem-solving aptitude.
  - a. Set up financial statements, including but not limited to cash flow, balance sheets, and income statements.
  - b. Calculate the time-value of money and net present values.
  - c. Compare different long-term investments.

Instructor: Linda Burbidge, PhD

Office: Molberg 20

Office Hours: MW 9am – 11am; TH 2pm to 3pm, Or by appointment

Phone:228-5442

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Lecture/Lab Schedule: Lecture 2:00pm – 2:50 MF in Thatcher 214

Lab W 2:00pm – 3:50pm in Thatcher 214

**Textbooks:** Barry, Ellinger, Hopkin, and Baker. Financial Management in Agriculture, 7<sup>th</sup> ed., Interstate Publishers.

Oltmans, Klinefelter, and Frey. Agricultural Financial Reporting and Analysis (AFRA), Doane Agricultural Services Company.

**Course Requirements:** This is an introductory course. Students are expected to read the text and come to class prepared to listen and discuss during the lectures. Points will come from homework, lab assignments, a course project, quizzes, two exams, and a final exam. The breakdown will be as follows:

Homework = 10%  
Professionalism = 15%  
Lab Assignments = 25%  
Course Project = 25%  
Quizzes = 25%

Homework: There will be a combination of assigned readings, papers, and traditional assignments. Homework must be submitted on time to receive full credit. Late homework will be accepted with a deduction of 20%.

Professionalism: In an effort to prepare you for the real world, some of your class grade will be dependent upon professionalism. This means you will be graded on a combination of attendance, engagement in learning, and meeting deadlines.

Lab Assignments: We will work through 8 to 10 lab assignments over the course of the semester. These are to be done on a computer and turned in electronically. Many of these will be done in MS Excel. Late lab assignments will be accepted with a deduction of 20% per day late. **If you miss more than 2 Lab assignments, you will automatically receive a failing grade in the course.**

Quizzes: There will be 6 quizzes throughout the semester. This will allow the instructor to identify gaps in lecture coverage and shortcomings in student learning.

Course Project: Each student will put together a portfolio of financial statements related to their desired agribusiness. Analyses will be done to answer a particular problem or question for the business. More information to follow.

Grading and Evaluation:

<b>Total Point Percentage</b>	<b>Letter Grade</b>
90% and ↑	A
80% - 89.99%	B
70% - 79.99%	C
60% - 69.99%	D
59.99% and ↓	F

Tentative Course Outline:

<b>Week</b>	<b>Segment</b>	<b>Topics</b>
Jan 13 - 17		Balance Sheets
Jan 20 - 24		Balance Sheets
Jan 27 - 31		Income Statements
Feb 3 - 7	Financial Analysis, Planning, and Control	Income Statements/Depreciation
Feb 10 - 14		Depreciation/Owner Equity
Feb 17 - 21		Cash Flow Statements
Feb 24 - 28		Cash Flow Statements
Mar 2 - 6		Financial Statement Analysis
Mar 9 - 13		Cash Flow Budgets
Mar 16 - 20		Spring Break Week
Mar 23 - 27	Capital Structure and Risk Management	Capital Structure
Mar 30 - Apr 3		Leverage/Liquidity
Apr 6 - 10		Credit/Risk
Apr 13 - 17	Long-term Decision Making	Time Value of Money
Apr 20 - 24		Capital Budgeting/Investing
Apr 27 - May 1		Leasing/Cost of Financial Capital
May 4 - May 8	Financial Markets in Agriculture	Financial Intermediaries/Policy/Legal Issues/Organizational Structure
May 11 - 15		<b>Finals Week</b>

\*This outline is subject to change.

General Education Goals/Objectives: None

**Relationship to Campus Theme:** This course supports the campus theme of “Nature, Technology and Beyond” by fostering the skills and knowledge necessary to utilize natural, human and technological resources successfully and confidently.

**Classroom Policies:** Be respectful of other students, instructors, and guests. Use of *cell phones* and other *electronic devices* is prohibited during exams AND lectures.

**Student Email Policy:** Dakota College at Bottineau is increasingly dependent upon email as an official form of communication. A student’s campus-assigned email address will be the only one recognized by the campus for official mailings. The liability for missing or not acting upon important information conveyed via campus email rests with the student.

**Academic Integrity:** All students are expected to adhere to the highest level of academic integrity. Dishonesty and plagiarism with assignments, projects, or exams is a serious offense and is subject to disciplinary action by the instructor and college administration. For more information refer to the student handbook.

**Disabilities and Special Needs:** Any students with disabilities or other special needs, who need special accommodations in this course are invited to share these concerns or requests with the instructor and the Learning Center (701-228-5479) as soon as possible.