

Introduction to Agricultural Finance
Agricultural Economics 246
Syllabus – Spring 2012

Class Time: T Th, 2:30 - 3:45

Class Location: Barry Hall 140

Lab Time: W 10:30-11:20 & 11:20-12:10

Lab Location: Barry Hall 260

Instructor: Ryan Larsen

Office: 540 Barry Hall

Phone: 231-5747 email: ryan.larsen@ndsu.edu

Office hours:

T Th 3:45 – 5:00

Required Text: Essentials of Corporate Finance by Ross, Westerfield & Jordan, 7th Edition. McGraw-Hill and Irwin.

Recommended Readings: Other readings that may be relevant will be provided on the class website.

Calculators: A financial calculator is necessary for this course. You may either purchase one or use your TI-86 (83).

Course Description: This course will cover basic financial statements, investment frameworks, and theories of financial intermediation as applied to agricultural firms along with an overview of financial institutions which provide capital to agriculture.

Objectives: After completing this course, students will be able to:

1. Explain and understand the relationships among the three primary types of financial statements; derive liquidity, solvency, asset management, profitability, and market value ratios from these statements; and make recommendations to improve these ratios.
2. Describe the principle of time-value of money and apply this concept to valuing annuities, perpetuities, loan values, bond values, stock values, and capital investment opportunities
3. Discuss the historic returns earned in the stock market and distinguish the role of risk in those returns by calculating and interpreting average returns and their variances.
4. Understand the need for the functions of financial intermediation in a market-oriented society and a functioning awareness of the financial intermediaries serving U.S. Agriculture;

Process

The primary purpose of the classroom presentation and discussion will be to explain the basic concepts. Many of the detailed "facts" will be learned working the homework problems. You will need to become familiar with new terminology and principles as well as the logic and process of addressing financial problems. Assigned problems and labs will help develop your thought processes when addressing financial management problems in the "real world". Keeping current in problem assignments will greatly enhance the learning process and reduce frustrations.

Email and Internet

Students are required to access web sites on the Internet. The home page for the AGECE 246 is found on Blackboard. The syllabus, schedule, review guides, and keys to homework can be viewed or downloaded from the home page. Some files are in Word and some are in PowerPoint. We will also utilize McGraw-Hill Connect for assignments. More detail will be given in class.

Grading

Grades will be assigned on the basis of student performance and weighted as follows:

Hour Exams (3 at 15% each)	45%
Cumulative Final Exam	15%
Quizzes (5 at 2% each)	10%
Problem sets (8 at 1.875% each)	15%
Lab Problems (8 at 1.875% each)	15%
Total	100%

Course grades will be awarded according to the following scale:

- 90% or better A
- 80% to 89.9% B
- 70% to 79.9% C
- 60% to 69.9% D
- Less than 60% F

Exams

There will be three one hour exams. The exams will cover material covered in class, practice problems, and material from required readings. Each exam will be worth 15%. If you are unable to take an exam due to university approved activity, you must contact me and take the exam before the assigned exam date. If you fail to contact me before the exam date or after the exam has been given, you receive an exam score of zero. The final exam will be given on the university assigned date. The use of cellphones, laptops, or any other electronic devices (except for financial calculator) is not permitted during quizzes or exams.

Quizzes

Five unannounced quizzes will be given throughout the semester. Quizzes will be used as a measure of whether you are preparing before class and keeping up with the assigned reading. Makeup quizzes will not be given. You will have the opportunity to drop your lowest quiz score.

Problem Sets

Eight problem sets will be given regularly throughout the semester. A portion of the problem sets will be done in Excel and some will be done via the class website. Assignments turned in after assignment has been graded, without documentation of a University approved absence, will not be accepted.

Lab Problems

Lab problems will provide you with an opportunity to solve real world problems using Microsoft Excel. These problems will be done in your lab groups. I will assign the lab groups prior to the first lab meeting.

Participation

Actively participating in class will greatly enhance your experience in this class.

ADA Policy Statement

The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. Any student with special needs or who need specific accommodations during this course to ensure access to campus programs and facilities is invited and encouraged to share these concerns or requests with the instructor as soon as possible.

Copyrights Statement

Please note that all handouts and supplements used in this course are copyrighted. This includes all materials generated for this class, including but not limited to syllabi, exams, in-class materials, review sheets, and lecture outlines. Materials may be downloaded or photocopied for personal use only, and may not be given or sold to other individuals.

Scholastic Dishonesty Statement

All work in this course must be completed in a manner consistent with NDSU University Senate Policy, Section 335: Code of Academic Responsibility and Conduct (<http://www.ndsu.nodak.edu/policy/335.htm>).

All NDSU students taking any course in the College of Agriculture, Food Systems and Natural Resources are under the Honor System (<http://www.ag.ndsu.edu/academics/honor.htm>).

The Honor System is governed by students and operates on the premise that most students are honest and work best when their honesty, and the honesty of others, is not in question. It functions to prevent cheating as well as penalize those who are dishonest. It is the responsibility of the student to report any violations of the honor pledge to the instructor, honor commission, or the Dean of the College of Agriculture.

Many of you are familiar with the Honor System from other agriculture courses in which you had to sign the following statement when taking an exam or quiz: />

HONOR PLEDGE: Upon my honor, I have not given nor received aid in writing this examination.

Academic conduct also is critical in the preparation of assignments. It is absolutely critical that all work in this course recognize the intellectual property of others. It is unprofessional, unethical, and in some cases, a violation of university policy and federal law to inappropriately use someone else's ideas. The basic guideline for this course is to cite the source of all ideas incorporated into your work product, whether the idea is presented as words, an image,

or a audio or video recording. If the idea is presented as a quote, the quoted materials must be identified with quotation marks and the source properly cited.

Students are expected to adhere to appropriate practices when relying on the thoughts of others, for example, when using an idea from a publication or another person. Properly citing reference materials and submitting one's own work are important components of appropriate academic conduct. The work of others can be reproduced without violating federal law if the reproduction fits the definition of fair use.

Fair use includes reproducing a work for "purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research ... In determining whether the use made of a work in any particular case is a fair use the factors to be considered shall include — (1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes; (2) the nature of the copyrighted work; (3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and (4) the effect of the use upon the potential market for or value of the copyrighted work" (17 USC 107). However, the source must still be properly cited.