

AGEC 3403 – Farm Business Management

Instructor: Bradley J. Isbell
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Office Hours: The easiest and most efficient way to reach me directly is e-mail. I typically respond to student emails within the hour during weekdays, and within 8 hours if I receive an email late at night or on a weekend. In case of an emergency, I have provided my personal cell phone number, however, I encourage you to respect my time and only call during reasonable hours.

If you have questions that cannot be asked or answered via a phone call or email, then you should email me to set up a video chat. I will schedule these on a case by case basis, but I am flexible and can typically accommodate any schedule.

Prerequisites: None. Accounting principles, financial formulae, arithmetic, computation, economic reasoning, and use of the computer (Excel spreadsheets) are integral to management. Recommended pre-reqs: MATH 1203, AGECE 2143, AGME 2903 and AGECE 1103.

Course Description: This course will provide an overview of trends in the agricultural industry shaping the demands of farm business managers. After being introduced to the basic history and terminology of farm business management, you will be tasked with constructing financial statements and other decision making tools using Microsoft Excel. We will also calculate performance measures from these sheets and interpret their impact on future business decisions.

Required Technology: Material for this course including syllabus, homework, class notes, test reviews and links to suggested reading materials can be found on Blackboard. You can reach Blackboard at <http://learn.uark.edu>.

Recommended Text: Kay, Ronald D., William M. Edwards, and Patricia A. Duffy. 2011. Farm Management. 7th Edition. McGraw-Hill Publishing Co. NY. (Not required)

Course Objectives:

At the end of the course, you will be able to:

- Describe historical and current trends in the agribusiness industry driving demand for more effective management techniques.
- Outline the process of strategic farm business planning.
- Construct managerial accounting tools required for effective business management, including the balance sheet, income statement, cash flow budget, and capital budget, using basic to advanced Microsoft Excel features.
- Calculate and evaluate financial performance measures for farm businesses.
- Discuss the time value of money and its impact on capital investment.

Grading: According to the UA instructions for reporting final grades, they generally will reflect the following:

- A – Outstanding achievement (90.0%+)
- B – Good achievement (80.0%+)
- C – Average achievement (70.0%+)
- D – Poor, but passing work (60.0%+)
- F – Failure, given for unsatisfactory work (any grade below 60.0%)

Grades are not curved or rounded

Grade breakdown:	Homework	(5 x 30 points)	150	points
	Quizzes	(8 x 20 points)	160	points
	Exam I		150	points
	Exam II	(Final Exam)	150	points
	Total		610	points

Homework: Five (5) homework assignments will be assigned throughout the semester. Each assignment will be worth 30 points although they will vary in length and difficulty. Homework turned in late will face a 15% late penalty. Homework will not be accepted 24 hours or more after the due date. I will grade each of the homeworks according to its specific rubric. The rubric for each homework can be found in its homework submission link, and will show the number of points associated with each grading criteria, along with a description of what is expected for each criteria.

Because I expect fast and quality work from each of you on my homeworks, I will provide the same to you in grading them. Each homework must be graded individually, so while I cannot have them returned immediately, I will have homeworks graded and available for review within 48 hours of the due date.

Exams: There will be *two* (2) exams. These exams will be taken online using Proctor U. Exam 1, the midterm exam will cover units 1-3 and will be given at the completion of Unit 3. The final exam will cover Units 4 and 5 and will be given at the completion of Unit 5. These exams will be taken online through ProctorU, so you will need to schedule your exam time no less than 48 hours in advance, and follow all the instructions given by ProctorU for the exam day. Because these tests are graded automatically, I will have your score available for you to see within 24 hours of the due date.

Quizzes: Ten (10) quizzes will be given throughout the course. These quizzes can be found in the lesson folder they correspond with. Not every lesson contains a quiz, and the lesson description will indicate if one is included. Students will be allowed to drop their two (2) lowest quiz grades for an effective total of eight (8) quiz scores. **No makeup quizzes will be allowed.** Because the quizzes are taken online through blackboard, you will be able to see your score for each quiz immediately after taking it.

**Students with
Disabilities:**

If you need to request reasonable accommodations for this class due to a disability, you must first register with the Center for Educational Access (CEA) and then contact me to discuss any accommodations you will require. You must arrange your accommodations through the CEA office, failure to do so may result in the inability to utilize your accommodations.

Academic Dishonesty: "Each University of Arkansas student is required to be familiar with and abide by the University's 'Academic Integrity Policy' which may be found at <http://provost.uark.edu/> Students with questions about how these policies apply to a particular course or assignment should immediately contact their instructor."

Dropping this Class: Situations can arise that warrant dropping a class. However, please see me before you drop the class so we can properly assess whether this is in your best interest. Often times things may not as bad as these seem. Please do not drop without talking to me first.

Course Outline:

Unit 1

- 1.1. Farm Management in the 21st Century (Quiz 1)
- 1.2. Management and Decision Making (Quiz 2)
- 1.3. Introduction to Working with Excel (HW 1)
- 1.4. Acquiring and Organizing Management Information (Quiz 3)

Unit 2

- 2.1. The Balance Sheet and its Analysis (Quiz 4)
- 2.2. Developing a Balance Sheet in Excel (HW 2)
- 2.3. Using Balance Sheet Measures (Quiz 5)

Unit 3

- 3.1. The Income Statement and Its Analysis (Quiz 6) (HW 3)
- 3.2. Farm Business Analysis

Midterm Exam

Unit 4

- 4.1. Cash Flow Budget and Its Analysis (Quiz 7)
- 4.2. Developing a Cash Flow Budget in Excel (HW 4)
- 4.3. The Time Value of Money (Quiz 8)

Unit 5

- 5.1. Investment Analysis (Quiz 9)
- 5.2. Capital and Credit (Quiz 10)
- 5.3. Course Review

Final Exam