

AGEC 3403 – Farm Business Management

Meeting Times: MWF 10:45 am - 11:35 am

Meeting Location: Plant Science Auditorium, PTSC 009

Instructor: Dr. Nathan Kemper
AGRI 227
479-575-2697
nkemper@uark.edu (preferred method of contact)

Office Hours: The best way to reach me directly is e-mail. I try to answer e-mails within 24 - 48 hours. I have an open door policy so you can stop by if you have questions but appointments are always appreciated. Use UASuccess or email me for an appointment. Office hours:

Tuesday and Thursday 9 am – noon (or by appointment)

Teaching Assistant: See Blackboard for TA contact information.

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

Course Description: Application of economic principles for the profitable organization and operation of the farm business. Focuses upon agricultural production management decision making tools: budgeting techniques (enterprise, partial, and cash-flow), balance sheet, income statement, investment analysis and risk management. Lecture 3 hours per week.

Required Technology: Material for this can be found on Blackboard. You can reach Blackboard at <http://learn.uark.edu>

Required Materials: Kay, Ronald D., William M. Edwards, and Patricia A. Duffy. 2016. Farm Management. 8th Edition. McGraw-Hill Publishing Co. NY. ISBN: 9780073400945

Older textbook versions: you can likely find the 7th edition of this textbook at a lower cost and it will cover much of the same material.

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

1. Describe historical and current trends in the agribusiness industry driving demand for more effective management techniques.
2. Outline the process of strategic farm business planning.
3. 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.
4. Calculate and evaluate financial performance measures for farm businesses.
5. 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%+)
B – Good achievement (80%+)
C – Average achievement (70%+)
D – Poor, but passing work (60%+)
F – Failure, given for unsatisfactory work (any grade below 60%)

Grade breakdown:	Homework (5 x 30 points)	150	points
	Introduction Quiz	10	points
	Quizzes (best 7 x 20 points)	140	points
	Midterm Exam	100	points
	Final Exam	100	points
	Total	500	points

Homework: Five (5) homework assignments will be assigned throughout the semester. Each homework will be worth 30 points although they will vary in length and difficulty. Most assignments will include two parts worth 15 points each, typically including the submission of an excel file and the completion of a set of questions. You may work together on homework assignments. However, all homework assignments must be submitted individually. All homework assignments must be submitted online via Blackboard and must be submitted on time. The due date for each homework assignment is listed in the Course Schedule (attached and on Blackboard). Assignments must be completed on time. No late work will be accepted 24 hours after the assignment is due. Submission of homework by email is not accepted.

Introduction Quiz: One (1) introduction quiz will be given at the start of the semester and will be worth 10 points. This quiz cannot be dropped.

- Quizzes:** Ten (10) quizzes will be given throughout the semester and may be announced or unannounced. Quizzes will be done in-class and only available to students attending class that day. Students' three (3) lowest quiz grades will be dropped for an effective total of five (7) quiz scores. Quiz questions will be based on text, class material, and assigned readings. No makeup quizzes will be allowed.
- Exams:** Please bring a #2 pencil and a green scantron form #882 to all exams. There will be *two* (2) exams, one midterm and one final exam. Each exam is worth 100 points. Make up exams *may* be permitted but *must* be arranged prior to the exam unless it is a medical emergency (personal or close family). Any unexcused missed exam will result in a zero (0) on that exam.
- Class Attendance:** Attendance is mandatory. There may be times, however, when illness, family crises, or university sponsored activities force a student to be absent from class. In these situations, the student is responsible for making timely arrangements with the instructor. Such arrangements should be made in writing and prior to the absence, when possible.
If attendance becomes an issue, quizzes may be given unannounced and in-class to only students attending.
- 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 (CAE) and see me during my office hours to discuss options.
- 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."
- Inclement Weather:** If the University is open, we will have class. As the instructor, I reserve the right to cancel class due to inclement weather. Students will be notified by email and Blackboard if this is the case. Please use your best judgment before getting on the road. See UA Inclement Weather Policy at <http://emergency.uark.edu/inclement-weather/index.php>.
- Emergency Procedures:** Many types of emergencies can occur on campus; instructions for specific emergencies such as severe weather, active shooter, or fire can be found at <http://emergency.uark.edu>

Severe Weather (Tornado Warning):

- Follow the directions of the instructor or emergency personnel
- Seek shelter in the basement or interior room or hallway on the lowest floor, putting as many walls as possible between you and the outside
- If you are in a multi-story building, and you cannot get to the lowest floor, pick a hallway in the center of the building
- Stay in the center of the room, away from exterior walls, windows, and doors

Violence / Active Shooter (CADD):

- CALL- 9-1-1
- AVOID- If possible, self-evacuate to a safe area outside the building. Follow directions of police officers.
- DENY- Barricade the door with desk, chairs, bookcases or any items. Move to a place inside the room where you are not visible. Turn off the lights and remain quiet. Remain there until told by police it's safe.
- DEFEND- Use chairs, desks, cell phones or whatever is immediately available to distract and/or defend yourself and others from attack.

Course Schedule: The schedule for class is attached on the following pages and available on Blackboard. The schedule is subject to change during the semester. The schedule should be referred to each time you logon to Blackboard.

Course Schedule

Unit	Week		Chapter/Topic	Due	Pts
1	01/13	1	Course Introduction		
			Lesson 1.1: Farm Management in the 21st Century		
			Lesson 1.1 Quiz #1	01/21	20
			Introduction Quiz	01/21	10
	01/20	2	Lesson 1.2: Management and Decision Making		
			Lesson 1.2 Quiz #2	01/26	20
	01/27	3	Lesson 1.3: Introduction to Working with Excel		
			Homework 1.3: Excel File Submission	02/02	15
			Homework 1.3: Questions	02/02	15
	02/03	4	Lesson 1.4: Acquiring and Organizing Management Information		
			Lesson 1.4 Quiz #3	02/09	20
2	02/10	5	Lesson 2.1: The Balance Sheet and Its Analysis		
			Lesson 2.1 Quiz #4	02/16	20
	02/17	6	Lesson 2.2 Developing a Balance Sheet in Excel		
			Homework 2.2: The Balance Sheet Spreadsheet	02/23	15
			Homework 2.2: Questions	02/23	15
	02/24	7	Lesson 2.3 Using Balance Sheet Measures		
			Lesson 2.3 Quiz #5	03/01	20
3	03/02	8	Lesson 3.1 The Income Statement and Its Analysis		
			Lesson 3.1 Quiz #6	03/08	20
			Homework 3.1: The Income Statement Spreadsheet	03/08	15
			Homework 3.1: Questions	03/08	15
	03/09	9	Lesson 3.2 Farm Business Analysis		
1-3	03/16	10	Midterm Exam Week		
			In-Class Exam Review	03/16	
			Midterm Exam	03/18	100
	03/23	11	Spring Break		
4	03/30	12	Lesson 4.1 Cash Flow Budgeting		
			Lesson 4.1 Quiz #7	04/05	20
	04/06	13	Lesson 4.2 Developing a Cash Flow Budget in Excel		
			Homework 4.2: Short Answer Questions	04/12	15
			Homework 4.2: Spreadsheet Submission	04/12	15
	04/13	14	Lesson 4.3 The Time Value of Money		
			Lesson 4.3 Quiz #8	04/19	20
5	04/20	15	Lesson 5.1 Investment Analysis		
			Lesson 5.1 Quiz #9	04/26	20
	04/27	16	Lesson 5.2 Capital and Credit		
			Lesson 5.2 Quiz #10	04/30	20
			Homework 5.2: Capital Budget	04/30	30
4-5	05/04		Final Exam -- Monday May 4 @ 10:15 AM - 12:15 PM	05/04	100