

## SYLLABUS

### AGRICULTURAL ECONOMICS 524 AGRICULTURAL FINANCE

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Agricultural Economics 524 is a study of the tools used in finance. It is intended that the course go well beyond the introductory level--to actually being able to use the tools. The course is designed for students planning careers involving financial decision making and for those who may enter the agricultural credit field. The course assumes students have a finance background comparable to AGEC 424. Students without this background should be prepared to work extra hard.

#### **Course Objectives:**

After completing the course, students should be able to:

- 1) Evaluate capital investments using discounted cash flow methods,
- 2) Prepare, interpret and analyze modern financial statements used for agricultural firms,
- 3) Analyze and suggest methods to improve the financial performance of an agricultural business
- 4) Describe and analyze the risk and returns of financing alternatives available to U.S. agricultural businesses.

#### **Text:**

Peter J. Barry and Paul N. Ellinger, Financial Management in Agriculture (Sixth Edition), Prentice Hall, 2012

#### **Readings and Handouts:**

Handouts will be passed out in class. You are expected to use the handout and assigned reading materials. Most of the handouts supplement lectures. Thus, they are required readings.

**Attendance:**

Attendance is required.

**Problem Sets and Case Studies/Projects:**

Problem sets and case studies/projects will be assigned. These are to be turned in on the due dates. Assignments turned in late will have the scores reduced. Problem sets turned in after the answers have been handed out (which may be as soon as the due day) will receive few points. Three case studies/projects will be used to provide practical application of the tools developed in the class. These case studies/projects will be team/group activities.

**Examinations:**

There will be two one hour exams announced in advance. Short quizzes will be given at random. A two-hour final exam (required of everyone) will be given at the scheduled time.

**Grading:**

The course grade will be derived with the following weighing:

	<u>Points</u>	<u>Percentage</u>	<u>Comments</u>
Hour Exams	300	30	Short answer questions, problems, multiple choice, and true-false, usually comprehensive.
Projects and case studies	300	30	3 major projects
Final Exam	300	30	Comprehensive.
Homework Assignments & Quizzes	<u>100</u> 1,000	<u>10</u> 100	No make-ups.