

Syllabus is posted on AGEC 310 Blackboard Home Page.

S/18

AGEC 310, Agricultural Economics—Farm Organization
KRAN G-16 Tuesday and Thursday 10:30 – 11:45 am

Professor: Dr. Nicole J. Olynk Widmar, Krannert 754E, Office: 765-494-2567

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@ProfWidmar

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Graduate Student Assistant –

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Attendance is important.

If you will miss a class, it would be considered a professional courtesy to email Dr. Widmar in advance with your name and the date you will miss.

Attendance is not *required*, however, you alone are responsible for class information and obtaining missed materials, if allowable. **There MAY be materials distributed in class which are time sensitive and/or only available on certain days (i.e. extra credit assignments distributed in hard copy only).**

Office hours: Dr. Widmar and Courtney Bir will be available for office hours at scheduled times throughout the semester. **Note that there are also scheduled class periods dedicated to reviewing material for the exam and a “Question and Answer” session before each exam.** Scheduled office hours for Spring 2018 are shown on the course schedule provided at the end of this syllabus – as well as on the Blackboard site.

If you are unable to attend office hours during any of these scheduled time periods, please e-mail Dr. Widmar to set up an alternative time.

Agricultural Economics 310 is the basic undergraduate course in Farm Management. It is oriented to the junior level of undergraduate students in the College of Agriculture. It is assumed that students enrolling in this course have some training in and a working knowledge of the physical production sciences-- Agronomy, Animal Sciences, Agricultural Engineering, Horticulture, etc.

AGEC 310 involves the study of the farm business from the standpoint of maximizing after-tax returns over time. Major emphasis is on the fundamental principles underlying sound farm organization and operation. The principles and techniques developed are general enough to have validity through time, in any geographic area, under any conditions. On the other hand, they are specific enough to be applied to an individual farm. AGECE 310 may be followed by AGECE 311, Farm Business Accounting, and AGECE 411, Advanced Farm Management.

Class Meetings:

AGECE 310 will meet Tuesdays and Thursdays from 10:30 – 11:45 am in Krannert G-16.

Course Objectives:

1. To provide an understanding of the economics and analytical tools that farmers use to maximize farm profit.
2. To provide a procedure for analyzing farm financial information and suggest possible improvements to increase profit after taxes.
3. To develop the ability to plan, organize, and operate a farm business which accomplishes the operator's most important goals.

Course Materials:

- *Text (Optional): "Farm Management", McGraw Hill, Kay and Edwards, Sixth Edition, 2006, ISBN 978-0-07-302829-3.*

- *Blackboard Learn (Required)*

Our class website on *Blackboard Learn*, <http://www.itap.purdue.edu/tlt/blackboard/>, will have all problem sets, supplemental material with links to cost data that will be used for doing problem sets, excerpts of current lecture notes, and readings (may be available from time to time.)

- *Calculator (Required)*

You must have a calculator – that you can operate alone - in class, **every** class session. (You will not be permitted to help one another operate calculators for any reason. You will not be allowed to share calculators for any reason.) For the purposes of this class, a calculator is a tool which is capable of mathematical calculations and NOT capable of phone calls, text messages, e-mails, or accessing the internet. Therefore, the following items are not acceptable for use in class as calculators – cell phones, tablets of any kind, laptops, desktops, or any other computing device not generally recognized as a calculator in its sole purpose. If you have questions about your calculating device, see Dr. Widmar for approval before use in class.

Course Communication:

Email: Please note that my primary out-of-class method of communication will be via email to your Purdue email address. I will not generally attempt to contact you at email addresses other than your Purdue email address. I recommend checking your Purdue email account at least once every 24 hours.

Course Twitter Information: Course Hashtag is #PurdueFarmMgt

Please include all three people/twitter handles below for course communications. Remain mindful in your use of social media of both professionalism and courtesy.

Courtney = @courtney_bir
Dr. Widmar = @ProfWidmar
Dept of Ag Econ = @PurdueAgEcon

Blackboard: It is your responsibility to check for mail and to check your Blackboard account on a regular basis.

Problem Sets:

Problem sets will be collected at the start of class on problem set due dates. If you are not present to submit your problem set at the time when I collect them your problem set is late and grades will be impacted as specified below.

**YES, if you arrive to class late and turn in your problem set AFTER I have collected them
→ your problem set is late.*

Work problems first on a preliminary copy of the problem set and when you are satisfied with your answer copy it neatly onto a fresh problem set. The intention of problem sets is for you to gain understanding and experience in putting principles to use in solving farm organization and management problems. There will be problem sets due throughout the semester.

Problem sets submitted after the in-class collection on the due date but within 48 hours will be down-graded by 5 points. Between 48 hours late and one week late a 10 point grade reduction on the problem set will be taken. Zero points will be given for problem sets turned in more than one week late.

But, be sure to complete problem sets and turn them in before the last class of the semester to receive feedback (useful in exam prep) and because each missing or incomplete problem set will result in ***one full letter grade reduction*** in the final course grade if not turned in by the ***last class of the semester!*** ***For clarity, one full letter grade reduction would be from an A+ to a B+, an A to a B, a C to a D, or a C- to a D-. Any grade of D (including D+, D, D-) would decrease to an F with one full letter grade reduction. For further clarity, a two letter grade reduction would be from an A+ to a C+, an A to a C, and any grade of C (including C+, C, C-) would decrease to an F.***

The key factor in grading these problem sets will be the clarity of analysis as well as the soundness of conclusion. Show your work for partial credit. You MAY work in groups on problem sets BUT you MUST include the names of those people you worked with. The maximum number of people in a group is four. Failure to report having worked in a group will be penalized. The purpose of working together is to exchange ideas and to exchange knowledge of technical practices. It is important that each person participate on each part of the exercise to gain the greatest value from it. Therefore, cooperation should be limited to four people and each should answer the question with the benefit of idea exchange but in their own words. Each person's answers should be uniquely their own. **Any problem set that even whiffs of being done by one person and copied by another will be severely penalized.**

On the cover page of the problem sets you must clearly identify:

your name, date submitted, and the names of your collaborators.

Each problem set is to be neatly and clearly organized in question number order and securely **stapled.**

A five point penalty will be applied to problem sets that are not clearly organized as specified above or not stapled.

Exams:

There will be **three exams**; make up exams, open to any student in the class for any reason, will be posted at the start of the semester. Anyone may decide – for any reason – to take any of the three exams at the posted alternative time(s). Contact Dr. Widmar immediately if you have any concerns about exam dates/times. Exams will contain a combination of short answer, essay, and problem questions. The examinations will be closed book unless Dr. Widmar specifically announces that certain materials can be used. This will be made abundantly clear in class at least one week prior to each exam date.

Under absolutely no circumstances are you allowed to consult with, request information of, request help from, or provide help to/from any other person regarding an exam in AGEC 310. See academic dishonesty statement on following page for additional information. Providing or receiving help on an AGEC 310 exam will result in reporting to the Dean of Students for disciplinary action – no exceptions will be made to this policy.

Announcements regarding materials which may be used on the exam will be made in class only and not duplicated on Blackboard; if you miss class, you may miss an opportunity to use materials. If you are absent from class on the day materials are distributed, there should be no expectation that those materials will be made available to you; choosing to not attend class involves tradeoffs.

Quizzes:

I reserve the right to conduct quizzes without notice. Bring your calculator every class period. The quizzes can cover all previous lectures, problem sets, and assigned reading material. They are designed to see that you are rewarded for keeping up-to-date and to uncover problem areas. **There will be no makeup quizzes given for any reason to any person.**

Scores recorded incorrectly, score revisions, and regrades:

Occasionally a scoring mistake will be made--professors are human, too. If a score is recorded incorrectly or if you would like to request a regrade of any document (including if a score is missing or reported as zero), contact Dr. Widmar in writing (e-mail preferred) to bring this to her attention. If you feel that you deserve more credit than you received, see Dr. Widmar before or after class or during her office hours to resubmit your original graded document and explain the reason you would like your grade reevaluated – after you have contacted her in writing about the matter. Documents submitted for evaluation are subject to being regraded in their entirety; grades may be raised or lowered depending on the error found. You have one week from when grades are posted on Blackboard to submit documents for regrade/reevaluation.

Recording errors must be reported within a week of the grade being posted on Blackboard. Dr. Widmar will return papers the next class hour after they are graded (and grades are posted) whenever possible. Papers not turned in with the rest of the class or not picked up when returned in class will be available from Dr. Widmar during office hours (or an arranged appointment.)

Extra Credit:

I reserve the right to offer extra credit throughout the semester. I reserve the right to offer extra credit only in class, only via Blackboard, or both. I do not guarantee that extra credit offered in class will be available via Blackboard, or vice versa. It is your responsibility to attend class and regularly check Blackboard in order to remain informed regarding possible extra credit offered. Be aware that extra credit deadlines are firm – no extensions will be given and extra credit will not be accepted late for any reason. Extra credit opportunities may, at times, be limited to individuals meeting certain specifications, such as having missed no more than “x” number of quizzes, having participated in all three exams, etc.

Students with Special Needs:

If you have a disability that requires academic adjustments, please make an appointment to meet with Dr. Widmar during the first week of classes to discuss your needs. Please note that university policy requires all students with disabilities to be registered with [Adaptive Programs](#) in the [Office of the Dean of Students](#)

before classroom accommodations can be provided. **If you require, and have made arrangements for special exam accommodations, you must email Dr. Widmar 7-10 days before the exam with your name and the special accommodation agreed to so that she can have accommodations in order. Failure to notify Dr. Widmar 7-10 days in advance of each exam means that you will take the exam with the rest of the students.**

Academic Honesty

Each student enrolled in AGECE 310 is encouraged to study and work problem sets with others, to study past problem sets, quizzes, and exam questions and answers, and to elicit help from the full range of helpful people and information sources. The problem sets submitted are to be uniquely the student's and represent their own work. The quiz and exam answers submitted are to represent their own work.

Academic dishonesty in AGECE 310 will be prosecuted to the limit of reason, including expulsion from the University.

Academic Honesty:

University policy on academic dishonesty is clear: academic dishonesty in any form is strictly prohibited. Anyone found to be cheating or helping someone else cheat will be referred directly to the Dean of Students for disciplinary action. Penalties are severe and may include dismissal from the University. The risks associated with cheating far outweigh the perceived benefits. Academic dishonesty includes citing someone else's work as your own, using "cheat sheets" or sharing your answers with someone else. If you are unsure whether your planned action constitutes academic dishonesty, seek clarification from your instructor. Other information regarding your rights and responsibilities as a student is contained in the Purdue University [Code of Conduct](#). Writing assignments for this course will be checked for originality using the iThenticate software.

Purdue prohibits "dishonesty in connection with any University activity. Cheating, plagiarism, or knowingly furnishing false information to the University are examples of dishonesty." [Part 5, Section III-B-2-a, [University Regulations](#)] Furthermore, the University Senate has stipulated that "the commitment of acts of cheating, lying, and deceit in any of their diverse forms (such as the use of substitutes for taking examinations, the use of illegal cribs, plagiarism, and copying during examinations) is dishonest and must not be tolerated. Moreover, knowingly to aid and abet, directly or indirectly, other parties in committing dishonest acts is in itself dishonest." [University Senate Document 72-18, December 15, 1972] Academic integrity is one of the highest values that Purdue University holds. Individuals are encouraged to alert university officials to potential breeches of this value by either emailing integrity@purdue.edu or by calling 765-494-8778. While information may be submitted anonymously, the more information that is submitted provides the greatest opportunity for the university to investigate the concern.

Nondiscrimination:

Purdue University is committed to maintaining a community which recognizes and values the inherent worth and dignity of every person; fosters tolerance, sensitivity, understanding, and mutual respect among its members; and encourages each individual to strive to reach his or her own potential. In pursuit of its goal of academic excellence, the University seeks to develop and nurture diversity. The University believes that diversity among its many members strengthens the institution, stimulates creativity, promotes the exchange of ideas, and enriches campus life.

Purdue University prohibits discrimination against any member of the University community on the basis of race, religion, color, sex, age, national origin or ancestry, genetic information, marital status, parental status, sexual orientation, gender identity and expression, disability, or status as a veteran. The University will conduct its programs, services and activities consistent with applicable federal, state and local laws, regulations and orders and in conformance with the procedures and limitations as set forth in [Executive Memorandum No. D-1](#), which provides specific contractual rights and remedies. Any student who believes

they have been discriminated against may visit www.purdue.edu/report-hate to submit a complaint to the Office of Institutional Equity. Information may be reported anonymously.

Grades:

Your grade will be based on the following: Three Exams at 200 points each, Quizzes totaling 100 points and Problem Sets totaling 300 points (25 points per problem set).

Grades will be assigned for total class points falling within the ranges as follows:

970 or more	A+	930-969	A	900-929	A-
870-899	B+	830-869	B	800-829	B-
770-799	C+	730-769	C	700-729	C-
670-699	D+	630-669	D	600-629	D-
599 or less	F				

All grading cutoffs are shown above, please feel free to contact Dr. Widmar if you have any questions.

When you are frustrated with the class:

It is especially important for Dr. Widmar to hear from you when this class is not meeting your expectations.

Send an e-mail to nwidmar@purdue.edu.

Campus Emergency:

In the unusual event of a major campus emergency, course requirements, deadlines and grading percentages are subject to changes that may be necessitated by a revised semester calendar or other circumstances. To get information about changes in this course visit the course home page, contact me by email at nwidmar@purdue.edu.

To report an emergency, call 911. To obtain updates regarding an ongoing emergency, sign up for Purdue Alert text messages, view www.purdue.edu/ea. There are nearly 300 Emergency Telephones outdoors across campus and in parking garages that connect directly to the PUPD. If you feel threatened or need help, push the button and you will be connected immediately.

If we hear a fire alarm during class we will immediately suspend class, evacuate the building, and proceed outdoors. Do not use the elevator. If we are notified during class of a Shelter in Place requirement for a tornado warning, we will suspend class and shelter in the basement. If we are notified during class of a Shelter in Place requirement for a hazardous materials release, or a civil disturbance, including a shooting or other use of weapons, we will suspend class and shelter in the classroom, shutting the door and turning off the lights.

Please review the Emergency Preparedness website for additional information.

http://www.purdue.edu/ehrs/emergency_preparedness/index.html

In the event of a major campus emergency, course requirements, deadlines and grading percentages are subject to changes that may be necessitated by a revised semester calendar or other circumstances. You can get information about changes in this course from our Blackboard web page or directly from Dr. Widmar.

Notice of Photo and Video Recording:

Dr. Widmar reserves the right to document class attendance, seating selections, and behavior in class at any time via the use of photography or video recording. For example, Dr. Widmar reserves the right to record video of the classroom during exams and refer to that video recording to verify behavior during exams at any time during the semester.

Helpful Hints from Dr. Widmar:

- If you are e-mailing from a non-Purdue e-mail address, please make sure to include your name in your e-mail. For example, e-mail addresses like, Lovetofarm@gmail.com describe about 95% of my students and if you do not sign the e-mail, I will not know who you are – and – I will not reply.
- Professionalism is important. I expect that everyone will conduct themselves in a professional manner, including the use of generally accepted (read: non-vulgar) language, in the classroom.
- “I missed the quiz, but it was for travel due to a University event. Can I make it up?”
 - No, quizzes may not be made up for any reason. See syllabus for more information.
- “I am missing 7 quiz grades, but I took 4 of those 7.”
 - If it is more than 1 week after the grade has posted, you have lost the opportunity to dispute the grade (even if that grade is zero). See syllabus for more information and pay attention to your grades as they are posted.
- “I misunderstood that I could not work with my friend on the take home exam.”
 - Under absolutely no circumstances are you allowed to consult with, request information of, request help from, or provide help to/from any other person regarding an exam in AGEC 310. See academic dishonesty statement on following page for additional information; providing or receiving help on an AGEC 310 exam will result in reporting to the Dean of Students for disciplinary action – no exceptions will be made to this policy.
- “I was not in class to get the extra credit, can I get it now?”
 - No. See comments related to extra credit in syllabus.
- “I don’t have my calculator. Can I use my phone?”
 - No. See ridiculously in-depth explanation of calculator requirements for this course.

AGEC 310 Tue, Thur 10:30 a.m. KRAN G-16

Tentative Schedule; Subject to Change

Exam 1 Course Schedule: January 9th – February 1st

			Lecture Topics	<u>Due @</u> <u>start of</u> <u>class</u>	Notes
January	Tue	9	Introduction to Farm Planning & Organization		
	Thur	11	Human Resources & Farm Management; Farm and Family	EC (1)	
	Thur	11	Sign and Return QUIZ – with Row Selection	QUIZ	
	Thur	11	Dr. Widmar's Office Hours 12:00 (Noon) – 2:00 pm		Kran 754E
	Thur	11	Courtney Bir's Office Hours 2:00 – 4:00 pm		Kran 588
	Tue	16	Sidenote/Professional Development Info: Research Intersection of Farm/Ag and Social Media	PS 1	
	Thur	18	Opportunity Cost and Ownership Cost with in-class example		
	Thur	18	Courtney Bir's Office Hours 1:00 – 3:00 pm		Kran 588
	Tue	23	Q & A on Opp Cost; then Enterprise Budgeting and Whole Farm Budgeting	PS 2	
	Tue	23	Dr. Widmar's Office Hours 12:00 (Noon) – 2:00 pm		Kran 754E
	Thur	25	Partial Budgeting (Tested on Exam 2)	EC (2)	
	Thur	25	Courtney Bir's Office Hours 1:00 – 3:00 pm		Kran 588
	Tue	30	REVIEW PERIOD - OPTIONAL CLASS DAY		
	Tue	30	Courtney Bir's Office Hours 2:00 – 4:00 pm		Kran 588
	Tue	30	OPTIONAL Night Exam Offering 5:30 -6:45 pm		Kran 758
	Wed	31	Courtney Bir's Office Hours 10:00 am – 12:00 (Noon)		Kran 588
	Wed	31	Dr. Widmar's Office Hours 2:00 – 4:00 pm		Kran 754E
February	Thur	1	EXAM 1		

Exam 2 Course Schedule: February 6th – March 22nd

			Lecture Topics	<u>Due @</u> <u>start of</u> <u>class</u>	Notes
Feb	Tue	6	Financial Records: Balance Sheet & Balance Sheet Analysis		
	Tue	6	Courtney Bir's Office Hours 2:00 – 4:00 pm		Kran 588
	Wed	7	Dr. Widmar's Office Hours 2:00 – 4:00 pm		Kran 754E
	Thur	8	Financial Records: Income Statement & Income Statement Analysis	PS 3	
	Tue	13	Financial Records: Cash Flow Statements		
	Tue	13	Courtney Bir's Office Hours 2:00 – 4:00 pm		Kran 588
	Thur	15	Catch up time; Review Financial Statements; Problem Set Q&A	PS 4	
	Tue	20	Income Tax Management & Start Time Value of Money		
	Tue	20	Courtney Bir's Office Hours 2:00 – 4:00 pm		Kran 588
	Thur	22	Time Value of Money; Discounting & Compounding	PS 5 & 6	
	Tue	27	Net Present Value Analysis		
	Tue	27	Courtney Bir's Office Hours 2:00 – 4:00 pm		Kran 588
	Wed	28	Dr. Widmar's Office Hours 1:30 – 3:30 pm		Kran 754E
March	Thur	1	Guest Lecture or Continued Net Present Value Analysis TBD		
	Tue	6	Guest Lecture or Continued Net Present Value Analysis TBD		
	Tue	6	Courtney Bir's Office Hours 2:00 – 4:00 pm		Kran 588
	Thur	8	Borrowing Money & Loan Amortization	PS 7	
	Thur	8	Dr. Widmar's Office Hours 12:00 (Noon) – 2:00 pm		Kran 754E
	Tue	13	Spring Break		
	Thur	15	Spring Break		
	Tue	20	Borrowing Money & Loan Amortization (Cont) + Review Q&A	PS 8	PS 8 Key Distributed
	Tue	20	Courtney Bir's Office Hours 2:00 – 4:00 pm		Kran 588
	Wed	21	Dr. Widmar's Office Hours 10:00 am – 12:00 (Noon)		Kran 754E
	Tue	20	Optional Night Exam offering		Kran 758
	Thur	22	Exam 2		

Exam 3 Course Schedule: March 27th to May 4th

			Lecture Topics	<u>Due @ start of class</u>	Notes
	Tue	27	Lease Versus Buy Decisions		
	Thur	29	Microeconomics and Farm Decisions; How much? ; What combination of inputs? ; Input-output combinations; What combination of products?		
	Thur	29	Dr. Widmar's Office Hours 1:00 – 3:00 pm		Kran 754E
April	Tue	3	Microeconomics and Farm Decisions; How much? ; What combination of inputs? ; Input-output combinations; What combination of products?		
	Tue	3	Dr. Widmar's Office Hours 1:00 – 3:00 pm		Kran 754E
	Thur	5	Risk Management and Probability; On-Farm Decision Making	PS 9 & 10	
	Tue	10	Cont. On-Farm Decision Making		
	Tue	10	Courtney Bir's Office Hours 2:00 – 4:00 pm		Kran 588
	Thur	12	Decision Making Under Risk – Thinking Outside the Box	PS 11	
	Thur	12	Dr. Widmar's Office Hours 12:00 (Noon) – 2:00 pm		Kran 754E
	Tue	17	REVIEW PERIOD - OPTIONAL CLASS DAY		
	Tue	17	Courtney Bir's Office Hours 2:00 – 4:00 pm		Kran 588
	Tue	17	Optional Night Exam Offering	Kran 758	
	Wed	18	Dr. Widmar's Office Hours 1:00 – 3:00 pm		Kran 754E
	Thur	19	Exam 3		
	Tue	24	EXTRA CREDIT DAY – REGULAR CLASSROOM AND TIME		
	Thur	26	EXTRA CREDIT DAY – REGULAR CLASSROOM AND TIME		
	Exam Schedule April 30- May 4		PS 12 * DUE AT START of SCHEDULED FINAL EXAM *	PS 12	