ABUS 465: Agricultural Finance

Term
Fall 2017

Instructor
Dr. Jacob Brimlow

Office Hours and Contact Information
Office Location: Plumas 227
Office Phone: (530) 898 – 4250
Email: jbrimlow@csuchico.edu

Office Hours:
Monday/Wednesday, 9 – 10a, Tuesday/Thursday 130 – 330p, and by appointment.

Course Description:

Course Objective:
Using practical applications of financial accounting theories, students will:

A. Discuss the importance of the financial aspects of an agribusiness;

B. Investigate methodologies useful in analyzing current and future financial operations. Specifically, students will have the opportunity to:
   a. Use spreadsheet software to investigate financial management concepts by completing lab activities which cover such topics as: financial records and statements, budgeting, the time value of money, risk assessment, etc.;
   b. Utilize capital budgeting procedures to compare capital investment alternatives;
   c. Survey sources of financial capital and analyze their value and impact; and

C. Understand how and why financial derivatives (e.g., options and swaps) are used to manage agricultural risk.

Textbook
Note: additional readings will be posted on Blackboard.

**Course Management/Policies**

**Dropping and Adding**

You are responsible for understanding the policies and procedures about add/drops, academic renewal, etc. found [http://www.csuchico.edu/catalog/](http://www.csuchico.edu/catalog/). You should be aware of the new deadlines and penalties for adding and dropping classes.

**Academic Integrity**

Students are expected to be familiar with the University’s Academic Integrity Policy. Your own commitment to learning, as evidenced by your enrollment at California State University, Chico, and the University’s Academic Integrity Policy requires you to be honest in all your academic course work. Faculty members are required to report all infractions to the Office of Student Judicial Affairs. The policy on academic integrity and other resources related to student conduct can be found at: [http://www.csuchico.edu/sjd/integrity.shtml](http://www.csuchico.edu/sjd/integrity.shtml).

**Campus Policy in Compliance with the American Disabilities Act**

If you need course adaptations or accommodations because of a disability, or if you need to make special arrangements in case the building must be evacuated, please make an appointment with me as soon as possible, or see me during office hours. Students with disabilities requesting accommodations must register with the DSS Office (Disability Support Services) to establish a record of their disability. Special accommodations for exams require ample notice to the testing office and must be submitted to the instructor well in advance of the exam date.

**Student Services**

Student services are designed to assist students in the development of their full academic potential and to motivate them to become self-directed learners. Students can find support for services such as skills assessment, individual or group tutorials, subject advising, learning assistance, summer academic preparation and basic skills development. Student services information can be found at: [http://www.csuchico.edu/current-students](http://www.csuchico.edu/current-students).

**Disability Services**

If you need course adaptations or accommodations because of a disability or chronic illness, or if you need to make special arrangements in case the building must be evacuated, please make an appointment with me as soon as possible, or see me during office hours. Please also contact Disability Support Services (DSS) as they are the designated department responsible for approving and coordinating reasonable accommodations and services for students with disabilities. DSS will help you understand your rights and responsibilities under the Americans
with Disabilities Act and provide you further assistance with requesting and arranging accommodations. The Disability Support Services website is [http://www.csuchico.edu/dss](http://www.csuchico.edu/dss).

**Student Learning Center**

The mission of the Student Learning Center (SLC) is to provide services that will assist CSU, Chico students to become independent learners. The SLC prepares and supports students in their college course work by offering a variety of programs and resources to meet student needs. The SLC facilitates the academic transition and retention of students from high schools and community colleges by providing study strategy information, content subject tutoring, and supplemental instruction. The SLC is online at [http://www.csuchico.edu/slc](http://www.csuchico.edu/slc). The University Writing Center has been combined with the Student Learning Center.

**College of Agriculture Common Course Policies**

Students are expected to read and adhere to all course policies found in the College of Agriculture Common Course Policies found at: [http://www.csuchico.edu/ag/_assets/documents/syllabi/COACommonSyllabusPolicies.pdf](http://www.csuchico.edu/ag/_assets/documents/syllabi/COACommonSyllabusPolicies.pdf) These policies include things like: turn off your cell phone during class.

**Missed Classes/Late Work Policy**

Unless approved by me on a case-by-case basis, NO LATE WORK WILL BE ACCEPTED, AND NO MAKE-UP ASSIGNMENTS OR EXTRA CREDIT WILL BE OFFERED. Generally, if you miss an assignment with a serious and documented excuse, such as a medical or family emergency (this does not include colds and flu), then that assignment will be omitted from your grade and more weight will be placed on another assignment.

**Grading**

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<thead>
<tr>
<th>Grades will be determined by:</th>
<th>Approximate Percentage</th>
<th>Grades will be assigned using the following scale:</th>
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</thead>
<tbody>
<tr>
<td>Class Project/Presentation</td>
<td>30%</td>
<td>93% - 100%  A</td>
</tr>
<tr>
<td>Quizzes/Homework/Activities</td>
<td>25%</td>
<td>90% - 92%  A-</td>
</tr>
<tr>
<td>Midterm</td>
<td>20%</td>
<td>87% - 89%  B+</td>
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<tr>
<td>Final Exam <em>(comprehensive)</em></td>
<td>25%</td>
<td>83% - 86%  B</td>
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<td>80% - 82%  B-</td>
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<td>77% - 79%  C+</td>
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<td>73% - 76%  C</td>
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<td>70% - 72%  C-</td>
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<td>67% - 69%  D+</td>
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<td>Below 60%  Failure</td>
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**Book Chapters/Course Topics***

Chapter 1: Nature and Scope of Financial Management

Chapter 2: Financial Statements and Information Flows

Chapter 3: Financial Analysis and Control
   - Financial Ratios

Chapter 4: Financial Planning and Feasibility Analysis
   - Financing Fixed and Variable Assets
   - Loan Repayment

Chapter 8: The Time Value of Money

Chapter 9: Investment Analysis
   - Analyzing Alternative Investments
   - Net Present Value

   - Incorporating Inflation and Risk into Planning Decisions

Chapter 12: Ownership and Leasing of Farm Land
   - Farm Real Estate Values
   - How Management Affects Value

Chapter 13: Leasing Non-Real Estate Assets
   - Leasing vs. Credit Purchase

Risk Management
   - Futures and Options Markets

Topics and guest speakers as time permits

* This is a rough outline of potential course coverage, and is subject to change. The material we cover in the course will ultimately be determined by time and student interest.