

Course Syllabus
AEc 465/AEc 565
Agricultural and Food Financial Management
(3 Credits)

Instructors	Clark Seavert - 319 Ballard Extension Hall Charles Thompson – 312 Ballard Extension Hall	
Class Time	Tues. & Thur. 0800-1020	Class Location GILM 234
Cell Phone	503-961-4709 (Clark)	
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Office Hours	Appointments with instructor can be arranged.	

Course description: The course reviews basic financial reporting statements, details accounting and financing practices specific to agricultural and food enterprises and links these topics to both operational and strategic management decisions for these enterprises.

Course PREREQs: Pre-requisites for the course are: AEC 211 and AEC 311. Competency with Excel spreadsheets is expected.

Goal: The goal of this course is to provide students with a knowledge base and skill set that allows them to conduct financial analysis of an agribusiness's performance, and use this analysis to make more informed economic, operational and strategic management decisions for the enterprise.

Learning outcomes: Students who complete AEC 465 successfully will be able to:

1. Use and apply financial functions in Excel spreadsheets
2. Compile and present the four primary financial statements of an enterprise, (i.e., the balance sheet, income statement, cash flow statement and statement of owner equity), with specific considerations for ag sector enterprises
3. Extrapolate relevant information from financial statements in order to calculate measures of firm performance, including measures of liquidity, solvency, profitability, repayment capacity and financial efficiency
4. Analyze and interpret these measures of financial performance in order to make more informed managerial decisions
5. Know and understand how to address the unique challenges of financial reporting and analysis in the agricultural sector, recognizing that some financial reporting practices are unique to the sector.

Grading for 465: Classwork (written assignments, quizzes and in-class exercises) – 40%
Exam 1 – represents 20% of final course grade
Case Study project – represents 20% of final course grade
Final Exam – represents 20% of final course grade

Tentative Final Grade Assignment:

A =	> 94	C =	< 77 – 74
A- =	< 94 – 90	C- =	< 74 – 70
B+ =	< 90 – 87	D+ =	< 70 – 67
B =	< 87 – 84	D =	< 67 – 64
B- =	< 84 – 80	D- =	< 64 – 61
C+ =	< 80 – 77	F =	< 61

Required Materials: See topic/reading list, attached or found on <https://www.agbizlogic.com>. Readings will also be provided on Canvas and/or in class.

Course Content: See topics/reading list and <https://www.agbizlogic.com>.

Expectations:

Detailed expectations for student conduct, as specified by the University, can be found at: <http://oregonstate.edu/studentconduct/>.

In general, professionalism and civility should guide your approach to this course. Professionalism requires that you use the same choice criteria as you would in a work environment. Civility requires that your behavior be guided by respectfulness, humility, empathy and a general approach of treating others as you wish to be treated.

A record of each student's class attendance and level of in-class engagement will be kept, which at the discretion of the instructor may be used when considering final grades for the course.

The default decision rule for missed and late materials is a grade of zero for a missed examination or missed deadline for an assignment. Absences due to religious holidays/events or official University-sanctioned activities will be accommodated, as long as notice is given sufficiently in advance of the absence to allow time to plan the accommodation. Medical emergencies and other extenuating circumstances will be reviewed on a case-by-case basis, and will require documentation.

Academic Honesty:

If you violate academic honesty in this course, you will receive an F on the work in question and/or in the class. "Academic or Scholarly Dishonesty is defined as an act of deception in which a Student seeks to claim credit for the work or effort of another person, or uses unauthorized materials or fabricated information in any academic work or research, either through the Student's own efforts or the efforts of another." The full OSU Statement on Academic Misconduct is available at: <http://studentlife.oregonstate.edu/studentconduct/academicmisconduct>

Statement Regarding Students with Disabilities:

Accommodations for students with disabilities are determined and approved by Disability Access Services (DAS). If you, as a student, believe you are eligible for accommodations but have not obtained approval please contact DAS immediately at 541-737-4098 or at <http://ds.oregonstate.edu>. DAS notifies students and faculty members of approved academic accommodations and coordinates implementation of those accommodations. While not required, students and faculty members are encouraged to discuss details of the implementation of individual accommodations.

Topic List and Activities for the course – a general guideline, subject to change based on class progress

<u>Dates</u>	<u>Topics/activities</u>
Sept 20	Course overview, general background, and scope of and motivation for course
Sept 25	Balance sheets – materiality in Ag (asset valuation, depreciation, deferred taxes)
Sept 27	Balance sheets – materiality in Ag, continued
Oct 2	In-class exercise #1 – focus on balance sheet issues
Oct 4, 9	Income statements – materiality in Ag (cash-based, accrual-adjusted, accrual)
Oct 9	In-class exercise #2 – focus on making accrual adjustments
Oct 11	Statement of Owner’s Equity & Cash Flow statements
Oct 16	In-class exercise #3 – focus on owner equity and cash flows
Oct 18	Projecting cash flows; review other types of ag and farm budgeting
Oct 23	Agricultural Lending; role of and accessing credit in the Ag Sector
Oct 25	Exam #1
Oct 30	Measuring & Analyzing Financial Performance
Nov 1	Measuring & Analyzing Financial Performance, continued
Nov 6	In-class Exercise #4 – focus on measuring performance
Nov 8	Improving Financial Performance – Strategies and Steps to Take
Nov 13	Case Study Team Project, submission deadline
Nov 15	Managerial Accounting in the Ag Sector – overview
Nov 20	Managerial Accounting in the Ag Sector – Inventory, Depreciation & Overhead
Nov 22	NO CLASS – Thanksgiving Break
Nov 27	Knowing and Managing your costs and margins
Nov 29	Knowing and Managing your costs and margins, continued (Last day of class)
Dec 7	Final Examination Friday, December 7th at 9:30 am
Finals week	Online OSU Student Evaluations of Course

Reading List

1. “Financial Guidelines for Agriculture,” published by the Farm Financial Standards Council. Available for purchase at <http://www.ffsc.org>
2. “Information Systems for Oklahoma Farmers – AGEC-302” by Damona Doye. Available on line at <http://pods.dasnr.okstate.edu/docushare/dsweb/View/Collection-340>
3. “Transferring Business Management,” farmdoc daily (7):64. By Michael Langmeier. Available on line at <http://farmdocdaily.illinois.edu/2017/04/transferring-business-management.html>
4. “Developing a Balance Sheet – AGEC-752” by Damona Doye and Brent Ladd. Available on-line at <http://pods.dasnr.okstate.edu/docushare/dsweb/View/Collection-340>
5. “Schedule of Assets – AGEC-791” by Damona Doye and Randy True. Available on-line at, <http://pods.dasnr.okstate.edu/docushare/dsweb/View/Collection-340>
6. “Deferred Taxes – AGEC-939” by Damone Doye, J.C. Hobbs and Randy True. Available on-line at <http://pods.dasnr.okstate.edu/docushare/dsweb/View/Collection-340>
7. “The Deferred Tax Monster,” farmdoc daily (7):93. By Brandy Krapf, et al. Available on-line at <http://farmdocdaily.illinois.edu/2017/05/the-deferred-tax-monster.html>
8. “Owner Equity Section – AGEC-938” by Randy True and Damona Doye. Available on-line at <http://pods.dasnr.okstate.edu/docushare/dsweb/View/Collection-340>
9. “Developing an Income Statement – AGEC-753” by Lori Shipman, Damona Doye, and Brent Ladd. Available on-line at, <http://pods.dasnr.okstate.edu/docushare/dsweb/View/Collection-340>
10. “Developing a Cash Flow Plan – AGEC-751” by Damona Doye and Brent Ladd. Available on-line at <http://pods.dasnr.okstate.edu/docushare/dsweb/View/Collection-340>
11. “Are Profit and Profitability the Same Thing?” by Edward Evans. Available on-line at, <http://edis.ifas.ufl.edu/fe939>
12. “Linking the Financial Statements” by P.J. van Blokland. Available on-line at <http://ufdc.ufl.edu/UF00067078/00001/1j>
13. “Measuring and Analyzing Farm Financial Performance” By Alan Miller, et al., published by the Department of Agricultural Economics, Purdue University. Available on-line at <https://mdc.itap.purdue.edu/item.asp?itemID=20704>
14. “Farm Enterprise Analysis: Has It Lost Its Usefulness?” By Alan Miller, et al., Journal of the ASFMRA (American Society of Farm Managers and Rural Appraisers). 2010 issue, pp. 109-206. Available on-line at Ag Econ Search, <http://ageconsearch.umn.edu/handle/96383>
15. “Management Accounting Guidelines for Agriculture”, published by the Farm Financial Standards Council. Available for purchase at <http://www.ffsc.org>