AEB 3144 – INTRODUCTION TO AGRICULTURAL FINANCE
Spring 2014 – Sections 103H, 104A, and 104F – 3 Credits

CLASS TIME AND LOCATION
T, Period 7 (1:55pm – 2:45pm) and Period 8 (3:00pm – 3:50pm) FLG 0270
TR, Period 7 (1:55pm – 2:45pm) FLG 0260

PREREQUISITES  A fundamental understanding of financial statements (managerial accounting)

INSTRUCTOR
Andrew Ropicki
Office: 1094 E McCarty Hall B
Phone: 352-392-XXXX
E-mail: aropicki@ufl.edu
Office Hours:
T, Period 5 and 6 (11:45am - 1:40pm)
TR, Period 5 and 6 (11:45am – 1:40pm)
Or by appointment.

PROGRAM ASSISTANT
Kathy Green
Office: 1197 McCarty Hall A
Phone: 352-294-7640

UNDERGRADUATE ADVISOR
Anne Marie Mattison
Office: 1195 McCarty Hall A
Phone: 352-294-7638

TEACHING ASSISTANTS
An announcement will be made during class regarding the TAs including their contact information and office hours.

E-LEARNING
There will be an E-Learning web-page for this course. To access E-Learning you will need your Gatorlink username and password. E-learning can be accessed via https://lss.at.ufl.edu/. Should you have difficulties accessing E-learning, please contact UF Computing Help Desk directly by calling (352) 392-HELP or via e-mail at helpdesk@ufl.edu.

REQUIRED TEXT AND MATERIALS

Calculator: Students are required to have a financial calculator (such as the Hewlett Packard 10B) as it will be necessary for completion of homeworks and exams. Students are responsible
for learning how to use their particular calculator (some examples will be done in class but students will need to spend time outside of class working with their calculator to prepare for tests and homeworks). I reserve the right to clear the memory of all programmable calculators for all exams.

COURSE DESCRIPTION
The goal of this course is to provide a basic understanding of corporate finance principles and build a foundation for other agribusiness courses. The primary objective of this course is to provide the students with the tools to understand and solve basic financial problems faced by individuals and businesses today. The course will emphasize practical applications and problem solving techniques. The topics covered include basic financial statement analysis, time value of money, valuation of financial assets, investment frameworks, capital budgeting techniques, and capital structure theory.

GOALS AND OBJECTIVES
After completing this course, you will be able to:

1. Read and analyze financial statements for the purpose of evaluating investment decisions.

2. Describe the principle of time-value of money and apply this concept to valuing annuities, perpetuities, loan values, bond values, stock values, and capital investment opportunities.

3. Understand the conceptual relationship between the expected return and the relevant risk of individual assets and a portfolio of assets.

4. Understand the concept of cost of capital and role of leverage and apply these concepts in the determination of the optimal capital structure.

COURSE OUTLINE

1. Introduction to Financial Management (CH1)
2. Financial Statements (CH2)
3. Time Value of Money (CH 4)
4. Discounted Cash Flows (CH 5)

TEST 1 (CH1, CH2, CH4, CH5)

5. Bond Valuation (CH6)
6. Equity Valuation (CH7)
7. Net Present Value and Other Investment Criteria (CH8)
8. Capital Investment Decisions (CH9)

TEST 2 (CH6 – CH9)

9. Capital Markets (CH10)
10. Risk and Return (CH11)
11. Cost of Capital (CH12)
12. Capital Structure (CH13)

TEST 3 (CH10 – CH13)

GRADES

Your final course grade is determined by the following components:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exams (3 at 20% each)</td>
<td>60%</td>
</tr>
<tr>
<td>Homeworks</td>
<td>40%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>

Grades will be awarded as follows:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>93% or greater</td>
<td>A</td>
</tr>
<tr>
<td>90% to 92.99%</td>
<td>A-</td>
</tr>
<tr>
<td>87% to 89.99%</td>
<td>B+</td>
</tr>
<tr>
<td>83% to 86.99%</td>
<td>B</td>
</tr>
<tr>
<td>80% to 82.99%</td>
<td>B-</td>
</tr>
<tr>
<td>77% to 79.99%</td>
<td>C+</td>
</tr>
<tr>
<td>73% to 76.99%</td>
<td>C</td>
</tr>
<tr>
<td>70% to 72.99%</td>
<td>C-</td>
</tr>
<tr>
<td>67% to 69.99%</td>
<td>D+</td>
</tr>
<tr>
<td>63% to 66.99%</td>
<td>D</td>
</tr>
<tr>
<td>60% to 62.99%</td>
<td>D-</td>
</tr>
<tr>
<td>Below 60%</td>
<td>E</td>
</tr>
</tbody>
</table>

Please note that grades are **not** “rounded” or “adjusted” in any way at the end of the term.

For general information about grading and grading policy at the University of Florida, please refer to: [http://www.registrar.ufl.edu/catalog/policies/regulationgrades.html](http://www.registrar.ufl.edu/catalog/policies/regulationgrades.html)

**Exams:** There will be **three (3) in-class exams** during the semester. Each exam is worth 20% of your grade. The exams will consist of multiple choice, problem-solving and short answer questions. The exams may be based on material covered in class, material from the textbook, or concepts implied by the material covered. All of the in class exams will be on Tuesdays during the double period and will start at 1:55pm and last until 3:50pm (215 minutes). The exam dates are tentatively scheduled as follows:
- **Exam 1:** February 11, 2014
- **Exam 2:** March 18, 2014
- **Exam 3:** April 15, 2014

(Note: Posted exam dates are subject to change, it is your responsibility to listen to class announcements and check e-learning for any changes in test dates).
The exams are closed book and closed notes. You are allowed (and will need) to use your financial calculator on exams (MAKE SURE YOU DO NOT FORGET TO BRING YOUR CALCULATOR TO EXAMS!!).

Exam Day Policy: It is expected that all students are on-time to exams. Please arrive early, if possible, to get seated and get your books/bags stowed away so that the exam can start as promptly as possible. You may leave the class after 45 minutes. NO ONE WILL BE ALLOWED TO ENTER THE CLASSROOM TO BEGIN THE EXAM AFTER THE FIRST STUDENT HAS TURNED IN THEIR FINISHED EXAM.

Final Exam Date: May 1, 2014 (5/1/2014) 7:30-9:30am at FLG 0270

The final exam is optional and comprehensive. It will be given during the final exam week at the end of the term. Should you decide to take the final exam, it can be used to replace your lowest score from an in-class exam. The final exam will cover the course material for the entire semester.

If you miss an exam because you are participating in a University of Florida sponsored event, you may make up an in-class exam only if you bring your documentation to your instructor PRIOR to the event (at least 7 days prior to a scheduled exam). Email documentation is NO LONGER enough. You need to bring a printed mail from the corresponding event organizers or association.

If you are missing an in-class exam for any reason other than a University of Florida sponsored event (excused or unexcused), the comprehensive final will serve as the only option for a make-up. In any case, you need to provide valid documentation for an emergency. For example, if you miss the exam due to a medical reason, the doctor’s note should clearly state that you were not in a position to attend class that day. For a family emergency, you should obtain proper documentation from the Dean of Students Office. Any such documentation must be presented within 3 days of the exam.

Homeworks: There will be 8 to 12 homework assignments given throughout the semester. You will be allowed to drop the two assignments with the lowest grades. These assignments will give you an opportunity to become familiar with the subject matter that will be covered in this course. It is not possible for you to earn an A in this course without doing well on these assignments.

Typically, homework will be due one week after it is assigned. It is your responsibility to submit assignments on time and follow the instructions for the assignment submission. Your grade for each assignment is determined by the quality of your work. Just submitting an assignment is not sufficient to get a good grade. No late assignments will be accepted. Any assignments not submitted on time, and in the manner assigned in class will receive a 0.

About the course: The material taught in this course is best learned through examples. The more problems you attempt (and complete) the better you will learn the material and the greater the
chance you will receive a good grade in the class. That is why there will be a significant number of homework assignments (8 to 12). In addition, suggested problems will be assigned for each textbook chapter covered during the semester. These problems will not be turned in for a grade, however it is in your best interest to complete these problems as approximately 20-25% of the questions on each in class exam will come directly from the suggested problems and the homework (the breakdown will be at the instructors discretion). It is also in your best interest to attend class as any extra credit questions on exams will come from material covered in class (not the textbook).

OTHER COURSE POLICIES

Re-grade Policy:
If you have a question about the grading of your assignment and/or exam, you must contact me immediately. If you believe there has been a grading mistake, you can appeal points that you earned in an assignment and/or exam (i.e., get more points). To appeal, you must state your case in writing within one week of the day I hand back the assignment (or exam) (regardless of when you pick it up). Turn the entire assignment or exam in, along with a written description of your concern and your expected resolution of the problem. Be aware that when you do this, I will re-grade the entire assignment or exam (thus you must turn the original back in).

Class Attendance:
I believe that regular attendance is necessary for students to obtain maximum benefit from the course. However, I will not take a role in the class. Class attendance is required in the sense that you will be responsible for all material covered and all reading material assigned. I will not provide copies of my notes that are covered in the class but are not posted on e-learning. Please make arrangements with your classmates to get the notes if you miss any class.

Expected Class Behavior:
You are expected to participate in the class activities, ask, and answer questions. Cell phones are to be turned off and put away. No texting is allowed during class. Please be courteous to your fellow students and me by coming to class on time and not disrupting class (talking to other students during lectures, bothering other students, etc.).

SUPPLEMENTAL INFORMATION

Students requesting classroom accommodation: The Disability Resource Center (DRC) coordinates the needed accommodations of students with disabilities. This includes registering disabilities, recommending academic accommodations within the classroom, accessing special adaptive computer equipment, providing interpretation services and mediating faculty-student disability related issues. Please contact office 0020 Reid Hall (tel: (352) 392-8565), www.dso.ufl.edu/drc . Any student requesting accommodation will have to provide documentation from the DRC.

“Students with disabilities requesting accommodations should first register with the Disability Resource Center (352-392-8565, www.dso.ufl.edu/drc/) by providing appropriate documentation. Once registered, students will receive an accommodation letter which must be
presented to the instructor when requesting accommodation. Students with disabilities should follow this procedure as early as possible in the semester.”

**Course Evaluation Process:**

“Students are expected to provide feedback on the quality of instruction in this course based on 10 criteria. These evaluations are conducted online at [https://evaluations.ufl.edu](https://evaluations.ufl.edu). Evaluations are typically open during the last two or three weeks of the semester, but students will be given specific times when they are open. Summary results of these assessments are available to students at [https://evaluations.ufl.edu/results](https://evaluations.ufl.edu/results).”

**Software Use:**

All faculty, staff and students of the university are required and expected to obey the laws and legal agreements governing software use. Failure to do so can lead to monetary damages and/or criminal penalties for the individual violator. Because such violations are also against university policies and rules, disciplinary action will be taken as appropriate.

**UF Supporting Services:**

College life can sometimes being overwhelming. Resources are available on-campus to help students manage personal issues or gain insight into career and academic goals. Some of them are:

- Counseling and Wellness Center: [http://www.counseling.ufl.edu/cwc/](http://www.counseling.ufl.edu/cwc/)
- Student Health Care Center: [http://shcc.ufl.edu/](http://shcc.ufl.edu/)
- Career Resource Center: [http://www.crc.ufl.edu/](http://www.crc.ufl.edu/)
- Dean of Students Office: [http://www.dso.ufl.edu/](http://www.dso.ufl.edu/)

For a full list of services please see [https://catalog.ufl.edu/ugrad/current/support/info/student-services.aspx#SA](https://catalog.ufl.edu/ugrad/current/support/info/student-services.aspx#SA)

**Academic Honesty:**

Academic dishonesty is defined as any behavior, active or passive, which attempts to subvert the legitimate teaching, learning, or testing of a subject. It includes, but is not limited to the following:

- cheating on an examination, using notes or other methods;
- assisting or allowing another student to cheat on an examination;
- submission of work that is not the authentic creation of the student (plagiarism, use of purchased term papers, etc.);
- providing false excuses for missing a scheduled examination;
- enabling the cheating or other academic dishonesty of another student;
- altering an examination after it has been graded to claim a better grade is deserved;
- obtaining examinations in advance of the scheduled exam, unless offered by the professor;

Please remember that you committed yourself to academic honesty when you registered at the University of Florida by signing the statement:

"I understand that the University of Florida expects its students to be honest in all of their academic work. I agree to adhere to this commitment to academic honesty and understand
that my failure to comply with the commitment may result in disciplinary action, up to and including expulsion from the University."

The penalty for any incidence of academic dishonesty is, as a minimum, a failing grade on the examination or assignment. If, in the professor’s opinion, the offense deserves a more severe penalty, failure in the course may be the imposed penalty. In particularly egregious cases, the professor may ask the College to dismiss the student and refuse the student further enrollment rights at the College.

It is in your best interests to avoid even the appearance of any questionable behavior.

*Please note this syllabus is a rough outline of the course and how it will be conducted. Changes to the course (exam dates, material covered, general policies, etc.,) are determined by the instructor and subject to change. By enrolling in this course you are agreeing to the terms outlined in this syllabus. Please see me if you have any questions.*