

**Syllabus for AREC 305**  
**Agricultural Business and Resource Enterprise Analysis**

**Instructor:** Gregory M. Perry  
B317 Clark Bldg.

**Teaching Assistant:** Di Sheng      [di.sheng@colostate.edu](mailto:di.sheng@colostate.edu)

**Class Time:** T Th 2:00-2:50      Microbiology A108  
F 10:00-11:50      Anatomy-Zoology W106

**Office Hours:** T Th 9:00-10:00

**Course Objective:** The purpose of this course is to help upper division students gain an understanding of the basic set of principles and analytical tools needed to manage an agribusiness operation. These principles are not solely applicable to agribusinesses, however, but can be applied to any business operation. The course combines basic economic principles (such as opportunity cost, diminishing marginal returns, and so forth) with basic business financial management principles (such as partial budgeting, whole farm planning, capital budgeting and so forth). The course is built around a farm management game to give students a chance to understand and implement a number of the principles covered in class.

**Prerequisites:** The course is taught assuming students have had Principles of Microeconomics (AREC 202) and basic spreadsheet skills (AGRI 140 or equivalent)

**Grading:** The course grading will be on a 1000 point scale, broken down as follows:

- A. Classwork (450 points). Three one hour exams will be given in class. Each exam is worth 225 points. The low score of the three will be dropped before calculating the final grade. All exams will be mostly multiple choice, with some T/F, lists and short answer questions mixed in.
- B. Farm Game (250 points). Details on the game will be explained on a separate page of the syllabus.
- C. Homework (200 points). Twelve homeworks will be assigned to provide students a basic understanding of financial statements and practice using Excel.
- D. Minute Essays (100 points). Each class will end with a chance to summarize 2 things learned that day and a lingering question. Each essay

is worth 4 points.

**Academic Integrity:** Students must uphold the academic integrity standards as explained in the university's Academic Integrity Policy of the Colorado State University General Catalog {Page 7} and the Student Conduct Code. This class requires a great deal of group work, but students should take responsibility for investing personally in the independent learning and development of project materials. Violations of CSU's academic integrity policies will be handled in accordance with the procedures discussed in the CSU General Catalog.

### **Principles of Community**

In this course we strive to follow and extend Colorado State's University's Principles of Community, and welcome spirited discussion, lively debate and pursuit of knowledge in a manner that respects each of us as individuals.

The Principles of Community support the Colorado State University mission and vision of access, research, teaching, service and engagement. A collaborative and vibrant community is a foundation for learning, critical inquiry, and discovery. Therefore, each member of the CSU community has a responsibility to uphold these principles when engaging with one another and acting on behalf of the University.

**Inclusion:** We create and nurture inclusive environments and welcome, value and affirm all members of our community, including their various identities, skills, ideas, talents and contributions.

**Integrity:** We are accountable for our actions and will act ethically and honestly in all our interactions.

**Respect:** We honor the inherent dignity of all people within an environment where we are committed to freedom of expression, critical discourse, and the advancement of knowledge.

**Service:** We are responsible, individually and collectively, to give of our time, talents, and resources to promote the well-being of each other and the development of our local, regional, and global communities.

**Social Justice:** We have the right to be treated and the responsibility to treat others with fairness and equity, the duty to challenge prejudice, and to uphold the laws, policies and procedures that promote justice in all respects.

### **Service Animals in the Classroom**

This course will follow all of the policies regarding service animal access to the classroom. The full university policy may be found here: <http://policylibrary.colostate.edu/policy.aspx?id=747> .

### **POLICY STATEMENT**

The University will not discriminate against individuals with disabilities who use service dogs,

nor, subject to the terms of this Policy, deny those persons access to programs, services and facilities of the University. In addition, only under certain limited conditions as stated in this policy, the University may permit an individual with a documented disability to have an Emotional Support Animal in a University residential facility. Pets are not permitted in any University building, including residence halls, except for the Veterinary Teaching Hospital and other veterinary facilities in accordance with their rules and policies, or when otherwise specially allowed with advance approval from Environmental Health Services for bona fide academic or University business purposes.

**Service Dogs**

Subject to some limitations, a service dog may accompany an individual with a disability throughout campus, such as in classrooms, recreational facilities and campus residences. It is strongly encouraged, but not required, that a service dog be identifiable to others through a visible signifier (e.g., vest or harness). Individuals with a disability who require a service dog in the classroom should contact Resources for Disabled Students (RDS) for assistance with accommodations.

**Emotional Support Animals**

An emotional support animal (ESA) is one that alleviates one or more identified symptoms or effects of a person’s disability. ESAs are not permitted in university buildings, except in the rare situation where use of an ESA in University housing is approved in advance by the University upon the submission of appropriate documentation, as set forth in this policy.

ESAs are not permitted in non-residential buildings such as classrooms, laboratories, business offices, recreational facilities, dining halls, or the Lory Student Center; they are limited to the disabled individual’s residence in a University residence hall, apartment, or other housing unit, and permitted only with prior approval

**Required Text:** The text *Agricultural and Resource Enterprise Analysis* can be purchased from the bookstore for \$53.25.

**CLASS SCHEDULE**

Day and Date	Topic	Lab Activity
Tuesday, Jan 21	Chapter 1 – Accounting Principles	
Thursday, Jan 23	Chapter 1 – Accounting Principles	Assignment 1: Review of Excel, calculating depreciation and payment schedule (15 pts)
Tuesday, Jan 28	Chapter 2 – Financial Statements	
Thursday, Jan 30	Chapter 2 – Financial Statements	Assignment 2: Balance Sheets (10 pts)
Tuesday, Feb 4	Chapter 2 – Financial Statements	

Thursday, Feb 6	Chapter 3 – Ratio Analysis	Assignment 3: Income Statements (15 pts)
Tuesday, Feb 11	Chapter 3 – Ratio Analysis	
Thursday, Feb 13	Chapter 4 – Intro to Risk	Assignment 4: Ratio analysis (10 pts)
Tuesday, Feb 18	Chapter 5 - Decisionmaking	
Thursday, Feb 20	Chapter 5 - Decisionmaking	Exam #1 (Chapter 1-5)
Tuesday, Feb 25	Chapter 6 – Competitive Advantage and Diversification	
Thursday, Feb 27	Chapter 7 – Selection of Enterprises	Assignment 5: Year 1 of Farm Game, crop mix decision (10 pts)
Tuesday, Mar 3	Chapter 8 – Responses to Marketing Risk	
Thursday, Mar 5	Chapter 9 – Economic Principles	Assignment 6: Year 2 of Farm Game, MR=MC analysis (20 pts)
Tuesday, Mar 10	Chapter 10 – Enterprise & Partial Budgeting	
Thursday, Mar 12	Chapter 10 – Enterprise & Partial Budgeting	Assignment 7: Year 3 of Farm Game, partial budgeting analysis (15 pts)
March 17 & 19	Spring Break	
Tuesday, Mar 24	Chapter 11 – Whole Farm Budgeting	
Thursday, Mar 26	Chapter 12 – Investment Analysis Techniques	Assignment 8: Year 4 of Farm Game, farmer’s market (whole farm analysis) (15 pts)
Tuesday, Mar 31	Chapter 12 – Investment Analysis Techniques	
Thursday, Apr 2	Chapter 13 – Machinery Management	Exam #2 (Chapters 6-12)
Tuesday, Apr 7	Chapter 13 – Machinery Management	
Thursday, Apr 9	Chapter 14 – Issues in Farm Size and Growth	Assignment 9: Year 5 of Farm Game, equipment replacement (30 pts)
Tuesday, Apr 14	Chapter 14 – Issues in Farm Size and Growth	
Thursday, Apr 16	Chapter 15 – Growth through Leasing Land	Assignment 10: Year 6 of Farm Game, leasing land (20 pts)
Tuesday, Apr 21	Chapter 16 – Growth through Purchasing Land	
Thursday, Apr 23	Chapter 16 – Growth through Purchasing Land	Assignment 11: Year 7 of Farm Game, purchasing land (20 pts)
Tuesday, Apr 28	Chapter 17 – Managing Labor	

Thursday, Apr 30	Chapter 18 – Managing Risk	Assignment 12: Year 8 of Farm Game, crop insurance (20 pts)
Tuesday, May 5	Chapter 19 – Livestock Production	Assignment 13: Year 9 of Farm Game
Thursday, May 7	Review and Wrapup of Game	
May 12		Final Exam: TBD