

**AAEC 3304**  
**Farm and Ranch Management**  
**Spring 2007**

**Instructor:** Jeff Johnson  
**Office:** Room 209 Ag Sci Bldg  
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**Office Hours:** T Th 8:30 - 10:30 or by appointment

**Class Meeting:** Sec 001      11:00 - 11:50 a.m.      T Th      AG 311  
**Lab Meeting:** Lab 501      2:00 - 4:50 p.m.      T      AG 311  
Lab 502      2:00 - 4:50 p.m.      Th      AG 311

**Text:**                      Farm Management - Planning, Control, and Implementation, Ronald D. Kay and William M. Edwards, Fifth Edition, McGraw-Hill, Inc., 2004.

**Supplemental Resources:**

Farm Financial Standards Council Guidelines  
<http://www.ffsc.org/html/guidelin.htm>  
Labor Management in Agriculture-Cultivating Personnel Productivity  
<http://www.cnr.berkeley.edu/ucce50/ag-labor/7labor/003.htm>  
Managing Risk in Farming: Concepts, Research, and Analysis  
<http://www.ers.usda.gov/publications/aer774/>

**Web page:** Can be found on TTU WebCT

**Lab:**                      Course credit requires enrollment in both lecture and lab. The purpose of lab assignments is to present topics discussed in lecture in a more detailed manner.

**Course Objective:** The primary objective of this course is to present farm management topics with primary emphasis on decision making tools such as partial budgeting, enterprise budgeting, investment analysis, financial analysis, and whole farm planning.

**Course Purpose**

This course is a required course for the Agricultural and Applied Economics (AAEC) curriculum, the dual degree curriculum with AAEC and Business Administration and the Animal Science (Animal Business emphasis) curriculum. It is an approved elective for the Animal Science Animal Production emphasis and Meat Science emphasis and is a directed elective for the Plant and Soil Science Horticulture curriculum. The prerequisite for the course is AAEC 2305, Fundamentals of Agricultural and Applied Economics.

This course provides opportunities for students to apply economic concepts to management decisions using farm and ranch situations. Course materials relate to economic applications in planning and budgeting, business financial analysis, and investment analysis involving equipment, land, and credit. The course provides an opportunity for students to experience the application of basic economic principles before progressing to more advanced economic concepts in the higher level courses of the curriculum.

## Expected Learning Outcomes

Upon completion of this course, students will be able to:

1. Use appropriate decision rules to determine condition that will maximize profit.

***Methods for Assessing this Expected Learning Outcome:*** Exam 1, homework assignments, “Muddiest Point” class exercise, and class polling.

2. Use budgeting concepts to develop whole farm plans from enterprise budgets.

***Methods for Assessing this Expected Learning Outcome:*** Exam 2, lab exercises, group project, think-pair-share exercises during lab, class polling, and concept mapping.

3. Use linear programming techniques to designing profit maximizing whole farm plans.

***Methods for Assessing this Expected Learning Outcome:*** Exam 2, lab exercises, group project, and think-pair-share exercises during lab.

4. Identify alternative business organizations and describe advantages and disadvantages of each.

***Methods for Assessing this Expected Learning Outcome:*** Exam 3, “Muddiest Point” class exercise, and class polling.

5. Identify sources of risk for an agricultural business and evaluate risk scenarios using decision trees and payoff matrices.

***Methods for Assessing this Expected Learning Outcome:*** Exam 3, lab exercise, think-pair-share exercises during lab, and class polling.

6. Evaluate the adequacy of the machinery complement of a farm.

***Methods for Assessing this Expected Learning Outcome:*** Exam 3, lab exercise, think-pair-share exercises during lab, and class polling.

**Class Preparation:** You are expected to come to class prepared by reading and completing assignments prior to class. You are expected to and encouraged to ask questions in class. You should be in class on time and prepared to discuss assigned topics.

**Lab and Homework:** Lab and homework assignments will be given throughout the semester. Homework assignments may be given over several topics. Failure to hand in a lab or homework assignment will result in a zero being given for that assignment. A specific deadline for completing a lab assignment will be given. Lab assignments handed in after the specified deadline will receive a grade of zero unless prior arrangements are made.

**Exams:** Three exams and a comprehensive final will be given during the semester. You will be responsible for all material assigned and covered since the previous exam. Calculators may be used for exams. Missed exams will be given a grade of zero unless adequate evidence is presented - preferably BEFORE the exam - that missing the exam cannot be avoided.

The final exam will be comprehensive and optional.

**Grading:**

	Method I	Method II
Exam I	20%	15%
Exam II	20%	15%
Exam III	20%	15%
Project	15%	15%
Lab & Homework	15%	15%
Attendance	10%	10%
Final Exam	<u>        </u>	<u>15%</u>
	100%	100%

**Class Attendance:** Attendance is expected at all lecture periods. Attendance will be recorded during each class period. The percentage of the final grade earned through class attendance will be determined using the following scale:

<u># of class absences</u>	<u>Attendance grade</u>
0-3	100%
4	90
5	80
6	60
7	40
8	20
9 or more	0

If you miss a class, it is your responsibility to make-up any missed assignments

**Student-Faculty Communications:** I maintain an open-door policy. Your ideas, comments, suggestions, and questions are always welcomed. Please come by the office during office hours or schedule an appointment to ensure that I will be available. I encourage you to come by the office to discuss the course and your academic progress.

**Student Responsibilities:** All learning and development requires and investment of time and effort by the student. To get the most out of this class, treat it as a professional experience. Conduct yourself in a professional manner. Be on time to attend class. Study the text. Take notes. Participate in class. Understand not only what we are doing but also why.

**Academic Integrity:** Any form of academic dishonesty (e.g. cheating, plagiarism) will not be tolerated. I will enforce and abide by the policies included in Section IX (Code of Student Conduct) of the Texas Tech Student Affairs Handbook.

**For Students with Disabilities:** Any student who, because of disability, may require some special arrangements in order to meet course requirements should contact me as soon as possible to make necessary accommodations.

**Classroom Rules:** Do not bring food or drinks into the classroom or into the Computer Lab. Do not use tobacco or tobacco products during class or lab. Do not read newspaper or other material during lecture or lab. Turn off cell phones and pagers during lecture and lab.

**AAEC 3304**  
**Class Schedule for Spring 2007**

<b>Date</b>	<b>Lecture</b>	<b>Chap</b>	<b>Lab Topic</b>	<b>Lab Ex #</b>	<b>Lab Location</b>
1/11	Introduction		No Lab		
1/16	Farm Management	1, 2	Introduction		AG 311
1/18	Enterprise Budgeting	10	Introduction		AG 311
1/23	Economic Decision Making Tools	7	Enterprise Budgeting	1	AG 311
1/25	Substitution Principles	8	Enterprise Budgeting	1	AG 311
1/30	Substitution Principles	8	Ag Spreadsheets	2	Computer Lab
2/1	Cost Concepts	9	Ag Spreadsheets	2	Computer Lab
2/6	Cost Concepts	9	No Lab		
2/8	<b>EXAM 1</b>		No Lab		
2/13	Enterprise Budgeting	10	Partial Budgeting	3	AG 311
2/15	Planning and Whole Farm Budgeting	12	Partial Budgeting	3	AG 311
2/20	Linear Programming	12	Whole Farm LP	4	Computer Lab
2/22	Linear Programming	12	Whole Farm LP	4	Computer Lab
2/27	Cash Flow Budgeting	13	Cash Flow Budget	5	Computer Lab
3/1	Cash Flow Budgeting	13	Cash Flow Budget	5	Computer Lab
3/6	Forms of Business Organization	14	No Lab		
3/8	<b>EXAM 2</b>		No Lab		

3/20	Forms of Business Organization	14	Personnel Mgmt Case Studies	6	AG 311
3/22	Risk Management	15	Personnel Mgmt Case Studies	6	AG 311
3/27	Risk Management	15	Risk Mgmt (w Case Study)	7	AG 311
3/29	Investment Analysis	17	Risk Mgmt (w Case Study)	7	AG 311
4/3	Investment Analysis	17	Investment Analysis	8	AG 311
4/5	Machinery Management	22	Investment Analysis	8	AG 311
4/10	Machinery Management	22	Machinery Management	9	AG 311
4/12	Machinery Management	22	Machinery Management	9	AG 311
4/17	Land Control and Use	20	Land Control and Use	10	AG 311
4/19	Land Control and Use	20	Land Control and Use	10	AG 311
4/24	Land Control and Use	20	No Lab		
4/26	<b>EXAM 3</b>		No Lab		
5/1	Review for Final		No Lab		
5/3	Review for Final		No Lab		
	<b>Final Exam</b> 1:30 – 4:00 pm				

The instructor reserves the right to modify the course content as warranted by circumstances. The course outline of topics to be covered is a tentative plan that may be altered during the course of the semester. Dates indicated for the three exams scheduled during the semester are tentative and may be altered as needed.