

AECN 401/801
Advanced Farm Management and Linear Programming
Spring 2018

Instructor: Jay Parsons
Fillely 103B

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Office Hours: 9:30-11:00 am Tue/Thu or by Appointment

Prerequisites: AECN 201

Texts: Readings will be posted on Canvas.
Recommended reading for Decision Making:
Smart Choices: A practical guide to making better life decisions
John S. Hammond, Ralph L. Keeney, and Howard Raiffa. ISBN: 0-7679-0886-4

Software: Students are encouraged to bring laptops to class. We will be using Excel on a regular basis along with the following:

RightRisk (<http://www.rightrisk.org>)

Resources -> Risk Management Tools

University of Idaho (Windows based)

<http://web.cals.uidaho.edu/idahoagbiz/management-tools/>

Crop Enterprise Budget (CEBW), Livestock Enterprise Budget (LEBW), and Machinery Cost Calculator

UNL enterprise budgets: <http://agecon.unl.edu/farmandranch>

Objectives of Course

For you to be able to:

- Recognize the importance of a balanced portfolio of management principles, production skills, and personal aptitudes in successful farm and ranch management.
- Construct and use crop and livestock enterprise budgets for forward planning.
- Use time value of money concepts in investment decisions.
- Understand the importance of having solid decision making processes.
- Make better decisions in the presence of risk and uncertainty.
- Understand and use modeling techniques (e.g. linear programming) for decision making.
- Use financial analysis for farm and ranch business decisions.
- Utilize Excel for analysis of the farm operation.
- Use and interpret results of computer software in farm planning and decision making.

Topics:

- Decision Making
- Enterprise Budgeting

- Capital Budgeting and Investment Analysis
- Risk Analysis and Risk Management Decision Making
- Linear Programming

Attendance:

Attendance is a very important aspect of achieving success in this course. We will be going over many difficult concepts and demonstrating how to use a lot of different software throughout the semester. Therefore, participation points will be given at the instructor’s discretion for class attendance and completion of classroom exercises.

Homework/Project Policy:

It is permissible to work together on homework assignments. Some larger assignments may be completed in teams of 2-4 students per team with one assignment turned in with all team member names on it. This will be specifically stated on the assignment at the time it is given. Otherwise, each student is responsible for turning in their own completed work on each assignment.

Grading:

Exams (2):	30%
Quizzes (3):	20%
Homework:	35%
Participation:	15%

Scale for Letter Grades

90% or above (> 900 points)	A- to A
80 to 89% (800 to 899 points)	B- to B+
70 to 79% (700 to 799 points)	C- to C+
60 to 69% (600 to 699 points)	D to D+
Below 60% (< 600 points)	F

For graduate credit a research project utilizing capital budgeting and/or linear programming techniques is required. The research paper will be worth 20% of the homework grade and 10% of the exam grade for each graduate student.

Late work:

Each student gets two late passes that allow a homework assignment to be turned in up to one day late with no penalty. Otherwise, anything turned in late but within 48 hours of due date gets graded on a half-credit basis. Anything turned in more than 48 hours late gets zero credit.

Academic Dishonesty Policy

Students are expected to adhere to guidelines concerning academic dishonesty outlined in Article III.B. of the University's Student Code of Conduct which can be found at <http://stuafs.unl.edu/dos/code/>. Students are encouraged to contact the instructor to seek clarification of these guidelines whenever they have questions and/or potential concerns. Additionally, each academic program has approved a policy for student appeals involving courses in that program and students will be informed about how to access this information.

Classroom Emergency Preparedness and Response Information

- **Fire Alarm (or other evacuation):** In the event of a fire alarm: Gather belongings (Purse, keys, cellphone, N-Card, etc.) and use the nearest exit to leave the building. Do not use the elevators. After exiting notify emergency personnel of the location of persons unable to exit the building. Do not return to building unless told to do so by emergency personnel.

- **Tornado Warning:** When sirens sound, move to the lowest interior area of building or designated shelter. Stay away from windows and stay near an inside wall when possible.

- **Active Shooter**

Evacuate: if there is a safe escape path, leave belongings behind, keep hands visible and follow police officer instructions.

Hide out: If evacuation is impossible secure yourself in your space by turning out lights, closing blinds and barricading doors if possible.

Take action: As a last resort, and only when your life is in imminent danger, attempt to disrupt and/or incapacitate the active shooter.

- **UNL Alert:** Notifications about serious incidents on campus are sent via text message, email, unl.edu website, and social media. For more information go to: <http://unlalert.unl.edu>.

- Additional Emergency Procedures can be found here: http://emergency.unl.edu/doc/Emergency_Procedures_Quicklist.pdf.

Students with Disabilities Policy

Students with disabilities are encouraged to contact the instructor for a confidential discussion of their individual needs for academic accommodation. It is the policy of the University of Nebraska-Lincoln to provide flexible and individualized accommodation to students with documented disabilities that may affect their ability to fully participate in course activities or to meet course requirements. To receive accommodation services, students must be registered with the Services for Students with Disabilities (SSD) office, 132 Canfield Administration, 472-3737 voice or TTY.

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Course Outline
(Tentative)

Week	Topic
Jan 9	Course Overview & Introduction to Enterprise Budgeting
Jan 11	Nebraska Land Values and Rental Rates (Jim Jansen, guest lecture)
Jan 16-23	Decision Making a. Decision Biases b. Smart Choices in Agriculture Decision Making Process
Jan 25-30	Enterprise Budgeting
Feb 1	QUIZ 1
Feb 6-22	Enterprise Budgeting (continued)
Feb 27	EXAM 1
Mar 1-8	Risk Management
Mar 13	QUIZ 2
Mar 13-27	Capital Budgeting
Mar 29	QUIZ 3
Apr 3-26	Linear Programming
May 2	1:00 – 3:00 pm EXAM 2
May 4	10:00 – noon EXAM 2 (alternative time)