

Advanced Agricultural Lending, AGEC 356
North Dakota State University
Spring 2021

Instructor Information

Instructor: Erik Hanson
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Office Hours: Virtual by appointment
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Course Information

Day: Monday
Time: 4:30-6:15 (plus virtual instruction)
Room: 370 Barry Hall
Credits: 3

Course Description

Application of credit analysis principles including loan structure, financial analysis, borrower-lender relationship, legal aspect of lending, collateral valuation, and role of financial intermediaries in agriculture.

Course Learning Objectives

1. List the risks associated with agricultural lending.
2. Summarize lenders' expectations for borrower information.
3. Locate key information and ratios in a loan application packet.
4. Interpret the implications of financial ratios for borrower creditworthiness.
5. Explain the importance of historical and pro forma financial statements.
6. Justify financial analysis decisions in both oral and written form.

Course Resources and Materials

There is no required textbook for this course.

NDSU's Blackboard site (<https://blackboard.ndus.edu/>) will be used for functions such as posting course content, collecting assignments, and managing grades. The Blackboard site will also contain the most recent version of the course syllabus.

Course Overview

The course begins by exploring farm balance sheets, income statements, and cash flow statements. After covering these basics, loan applications will be analyzed through various case studies. These case studies will prepare students for the final project, which is a written and oral analysis of a loan application.

Grading Components

| Item | Number | Percentage of final grade |
|---|----------|---------------------------|
| In-class assignments, assessments, and participation ¹ | Variable | 20% |
| Homework assignments ² | Variable | 30% |
| Vocabulary quiz ³ | 1 | 5% |
| Midterm presentation ⁴ | 1 | 15% |
| Final case study ⁵ | 1 | 30% |
| <i>Total</i> | | <i>100%</i> |

¹ *In-class assignments, assessments, and participation:* In-class assignments will be used to enhance student learning. Assignments and assessments will be based on lecture material, previous homework assignments, and assigned readings. Points may also be awarded for participation and attendance.

² *Homework assignments:* Homework assignments will be assigned throughout the semester.

³ *Vocabulary quiz:* A quiz on relevant lending terminology. Materials defining and explaining these terms will be distributed early in the semester.

⁴ *Midterm presentation:* An analytical project that consists of both a written and oral presentation, which may involve a team or group component.

⁵ *Final case study:* Classes and experiences at AgCountry will prepare students for a final case study. The final case study involves analyzing an example loan application. The analysis consists of both a written and oral presentation, which may involve a team or group component. The final case study project will be evaluated by the instructor and representatives of AgCountry FCS.

Grading Scale

| Final grade | Letter grade |
|---------------|--------------|
| > 89.9% | A |
| 80.0% - 89.9% | B |
| 70.0% - 79.9% | C |
| 60.0% - 69.9% | D |
| < 60.0% | F |

Course Schedule

| Date | Location | Event |
|-------------------------|--------------------|--|
| November 11 (Wednesday) | Virtual | Training |
| January 4 (Monday) | Virtual | Training |
| January 5 (Tuesday) | Virtual | Training |
| January 6 (Wednesday) | Virtual | Training |
| January 11 (Monday) | Virtual | Training; First Class Meeting |
| January 18 (Monday) | | No Class – MLK Day; Job Shadowing* |
| January 21 (Thursday) | Virtual | AgCountry Marketing Day* |
| January 25 (Monday) | Barry Hall/Virtual | Regular Class Meeting |
| February 1 (Monday) | Barry Hall/Virtual | Regular Class Meeting |
| February 8 (Monday) | Barry Hall/Virtual | Regular Class Meeting |
| February 15 (Monday) | | No Class – Presidents’ Day |
| February 22 (Monday) | Barry Hall/Virtual | Regular Class Meeting |
| March 1 (Monday) | Barry Hall/Virtual | Regular Class Meeting; Vocabulary Quiz |
| March 8 (Monday) | Barry Hall/Virtual | Midterm Presentations |
| March 15 (Monday) | | No Class – Spring Break |
| March 22 (Monday) | Barry Hall/Virtual | Regular Class Meeting |
| March 29 (Monday) | Barry Hall/Virtual | Regular Class Meeting |
| April 5 (Monday) | | No Class – Spring Recess |
| April 12 (Monday) | Barry Hall/Virtual | Regular Class Meeting |
| April 19 (Monday) | Virtual | Loan Discussion Forum |
| April 26 (Monday) | Barry Hall/Virtual | Regular Class Meeting |
| May 3 (Monday) | Barry Hall/Virtual | Regular Class Meeting |
| May 4-7 (Dates TBD) | Barry Hall/Virtual | Final Presentations |
| May 10-14 (Date TBD) | Virtual | Graduation Event |

* *These events are optional (but encouraged).*

Student-Instructor Communication

Office hours are a great opportunity for additional instruction or clarification.

Although e-mail can be a reliable method of contacting the instructor remotely, it is important to remember that e-mails may not be replied to as rapidly as students would hope. Please keep this in mind when sending last-minute e-mails. Also, note that the instructor will generally respond most quickly to e-mails received between 8:00 AM and 5:00 PM. Please include the phrase “AGEC 356” in the subject line of any e-mails pertaining to the course.

Important information for students will also be communicated via the Blackboard site. Students should check this resource regularly for class announcements and other important information.

Attendance Policy

According to NDSU Policy 333 (<https://www.ndsu.edu/fileadmin/policy/333.pdf>), attendance in classes is expected. Only the course instructor can excuse a student from course responsibilities. Students are responsible for informing course instructors of absences. If absences are known (e.g., university sanctioned activity, such as student government, judging, clubs, athletic competition, fine arts performances), course instructors shall be informed with written notification as far in advance as possible (preferably a two-week notice). Where advance notification is not possible (e.g., illness, family

emergency), students should contact their course instructor as soon as possible about the absence. Veterans and student servicemembers with special circumstances or who are activated, to include State Active Duty, are encouraged to notify the instructor as soon as possible, provide Activation Orders if possible, and inform the NDSU Office of Military and Veterans Services to facilitate a smooth exit from and successful re-entry to the University. When a student misses class for any reason, the student is responsible for contacting the instructor to make arrangements to follow the course instructor's policy in making up any missed assignments, if permitted.

Do not come to class if you are sick. Please protect your health and the health of others by staying home and participating in class remotely. For information on COVID-19, symptoms, testing, and steps to stay healthy see https://www.ndsu.edu/studenthealthservice/covid_19/. Do not come to class if you have been exposed to individuals who tested positive for COVID-19 and/or you have been notified to self-quarantine due to exposure.

Students that miss exam days or assignments due to legitimate absences will have access to accommodations including extended deadlines and make-up exams. Legitimate absences include those caused by university-sponsored events, illness, or family emergency. Students may be asked to provide verification to determine the legitimacy of absences.

Late Work Policy

Assignment due dates are prescribed by the instructor based on the course's content and pacing. As a result, it is recommended that students follow the assignment due dates. However, late homework assignments can still provide valuable learning opportunities for students. Unless otherwise noted, late homework assignments turned in less than 48 hours after the original deadline will be eligible for 75% credit and late homework assignments turned in less than one week after the original deadline will be eligible for 50% credit. This policy is not applicable to in-class assignments and participation, exams, or the final case study. Homework received one week or more after the original deadline is not eligible for credit. This policy does not apply if an assignment is turned in late due to a legitimate excuse (see attendance policy in the previous section).

Health and Safety Expectations

NDSU requires students to wear face coverings in classrooms. Wearing face coverings helps reduce the risk to others in case you are infected with COVID-19 but do not have symptoms. You must properly wear a face covering (covering both the mouth and nose) for the entirety of the class. Students who cannot wear a face covering due to a medical condition or disability may seek accommodation through Disability Services (701-231-8463; <https://www.ndsu.edu/disabilityservices/>). If you fail to properly wear a face covering, you will not be admitted to the classroom. However, you may choose to participate in the class remotely. Noncompliance may result in referral to the Dean of Students Office or administrative removal from class.

Students should observe social distancing guidelines whenever possible. Students should avoid congregating around instructional space entrances before or after class. Students should exit the instructional space immediately after the end of class to ensure social distancing and allow for the persons attending the next scheduled class to enter the classroom. Students are not allowed to eat or drink in class unless they have a documented accommodation through Disability Services.

Students attending class in-person will be seated according to a seating chart, which will assist in keeping attendance records. These records will be used in the event that contact tracing related to COVID-19 is necessary.

In accordance with NDSU Policy 601, failure to comply with instructions, including this syllabus, may be handled according to the Code of Student Conduct resolution process and may result in disciplinary sanctions.

Confidentiality Acknowledgement

All students in the Farm Credit Fellows Program will be required to sign a Confidentiality Acknowledgement agreement with AgCountry Farm Credit Services prior to the start of class.

Additional Resources for Students

As a member of the NDSU community, resources are available for you should you need help in dealing with adverse reactions to things happening in the world today. A variety of resources are listed below:

For students on campus and remotely (telehealth):

Counseling Services: 701-231-7671; <https://www.ndsu.edu/counseling/>
Disability Services: 701-231-8463; <https://www.ndsu.edu/disabilityservices/>
Student Health Service: 701-231-7331; <https://www.ndsu.edu/studenthealthservice/>
Dean of Students Office: 701-231-7701; <https://www.ndsu.edu/deanofstudents/>

In a crisis or emergency situation:

Call University Police: 701-231-8998
Call 9-1-1
Go to a Hospital Emergency Room
Go to Prairie St. Johns for a Needs Assessment: 701-476-7216 (510 4th St. S.) Call the FirstLink Help Line: 1-800-273- TALK (8255) or 2-1-1
Call Rape and Abuse Crisis Center: 701-293-7273

CAFSNR Syllabus Attachment – Spring 2021

Academic Honesty: All students taking any course in the College of Agriculture, Food Systems, and Natural Resources are under the Honor System (<http://www.ag.ndsu.edu/academics/honor-system-1>). The Honor System is a system that is governed by the students and operates on the premise that most students are honest and work best when their honesty, and the honesty of others, is not in question. It functions to prevent cheating as well as penalize those who are dishonest. It is the responsibility of the students to report any violations of the honor pledge to the instructor, honor commission or the Dean of the College of Agriculture, Food Systems, and Natural Resources.

The academic community is operated on the basis of honesty, integrity, and fair play. [NDSU Policy 335: Code of Academic Responsibility and Conduct](#) applies to cases in which cheating, plagiarism, or other academic misconduct have occurred in an instructional context. Students found guilty of academic misconduct are subject to penalties, up to and possibly including suspension and/or expulsion. Student academic misconduct records are maintained by the [Office of Registration and Records](#). Informational resources about academic honesty for students and instructional staff members can be found at www.ndsu.edu/academic_honesty.

Students with special requirements: Any students with disabilities or other special needs, who need special accommodations in this course are invited to share these concerns or requests with the instructor as soon as possible. The instructor may ask for verification and that, plus other assistance, can be requested from Disability Services in NDSU Library Suite 17 (231-8463). <http://www.ndsu.edu/disabilityservices/>.

Veterans and military personnel: Veterans or military personnel with special circumstances or who are activated are encouraged to notify the instructor as early as possible.

Important Dates

| | |
|----------------------------|---|
| January 18 | Martin Luther King Jr. Holiday (no class, offices closed) |
| January 21 | Last day to add classes via Campus Connection |
| January 21 | Last day for no-record drop of classes @ 100% refund |
| January 21 | Last day to withdraw to 0 credits @ 100% refund |
| January 26 | Financial Aid applied to Student Accounts |
| February 1 | Last day to submit request to audit, pass/fail |
| February 1 | Graduate student Spring Graduate Degree Applications due |
| February 15 | Presidents' Day Holiday (no classes, offices closed) |
| March 5 | Grades of Incomplete convert to F |
| March 15 | Undergraduate Spring graduation application due |
| March 2 nd week | Summer/Fall registration appointment times available |
| March 15-19 | Spring Break (no classes) |
| April 2 | Holiday (no classes, offices closed) |
| April 5 | Holiday (no classes) |
| April 9 | Last day to drop classes with record (W) |
| April 9 | Last day to withdraw to 0 credits |
| April 23 | Spring commencement participation deadline |
| May 3-7 | Dead Week |
| May 10-14 | Final Examinations |
| May 15 | Commencement |