

**Demonstrating Successful Farm Management Education Programs
Concurrent Sessions Room Schedule**

	KC Theatre	Dallas	Houston	Scottsdale
Monday June 10				
Moderator	Barry Ward	Gary Schnitkey	Ray Massey	Matt Stockton
	Willie Huot, Successful Land Rent Negotiations Are More than Bidding Highest	Chris Bruynis, Farm Transition & Estate Planning: Helping Farm Families Face the Future	Wm. Bruce Clevenger, Cash and Accrual records with Quickens Tags	William Lazarus, Minnesota Watershed Nitrogen Reduction Planning Tool
3:00 - 4:00	Allan Vyhnaek, Landlord/Tenant Cash Lease Workshops	Alan Miller, Implications of DSUE Portability for Farm Estate Planning	Elizabeth Yeager, Integrated Risk Management Initiative	Roger Sahs, Oklahoma Drought Response Using Spreadsheet Tools
	David Bau, What is a Fair and Profitable Rental Agreement	Shannon Ferrell, Farm Business Succession: Transition Tools and Tough Talks	Michael Duffy, Using Trusts in Land Ownership	Matt Stockton, The Development and Use of Two Successful Electronic Decision Aids
	Ken Hart, Keeping the Legacy Alive: Estate and Succession Planning for Farmers and Ranchers	Thomas Kriegl, Comparing Feed Costs of Different Dairy Systems from 1995 to 2010	Eric Richer, Engaging Next Generation Farmers into Successful Farm Management Programs	Mykel Taylor, Ag Land Values in a Rapidly Changing Market
4:00 - 5:00	Melissa O'Rourke, Evaluating Your Estate Plan	Thomas Kriegl, The Financial Performance of Dairy Systems Across the U.S.A.	Richard Joerger, Comparison of the Farm Business Management Education Needs and Delivery Preferences of Students Enrolled in the Minnesota FBM Program	David Marrison, Helping Ohio Family Address Agricultural and Natural Resource Tax Issues
	Alan Miller, Lessons Learned from an Indiana Farming Family's Intergenerational Family Business Transfer	John Molenhuis, Growing Your Farm Profits Workshops for Ontario Farmers	Kevin Dhuyvetter, Beef Cow Rental Arrangements	

**Demonstrating Successful Farm Management Education Programs
Concurrent Sessions Room Schedule**

	KC Theatre	Seattle I	Seattle II	Scottsdale
Tuesday June 11				
Moderator	Mykel Taylor	Bill Lazarus	John Molenhuis	Dale Nordquist
	Alvaro Garcia, A Farm Safety Training Program on Human Risk Management for Dairy Producers Using a Labor Force Including Hispanic Workers	Ray Massey, Incorporating Fieldwork Days into Equipment Decisions	Gary Hachfeld, Long-Term Health Care Planning: Preserving Your Farm or Small Business	Steven Johnson, Selling Your Insurance Bushels
1:00 - 2:00	Phil Durst, Employee Feedback as a Means to Improve Employee Management	Shannon Ferrell, Oil, Gas, Wind, and Agriculture: Can't We All Just Get Along?	Heather Gessner, Sustaining the Legacy-Estate Planning and Farm Transition	Edward Usset, The New Commodity Challenge
	C. Robert Holcomb, Extension Labor Management Programming: Evaluative Outcomes and Impact	Barry Ward, Strip Intercropping of Corn and Soybeans in the U.S.		
	Nathan Smith, Acreage Shifts in Southern Commodities: Why and Is it Temporary?	Kevin Klair , Ag Risk & Farm Management Library	Danny Klinefelter, Peer Advisory Groups for Agricultural Producers	Gary Hachfeld, Multiple Year Farm Transition & Estate Planning Program Outcomes & Impacts through Evaluation
2:00 - 3:00	Tom Kriegl, Can It Pay to Irrigate Pasture in the Midwest or Northeast Part of the USA	Forrest Stegelin, Encore Entrepreneurship Extension Education	Gregory Ibendahl, Estimating the Effects on Farm Profitability During a Drought	John Baker, Research Based Farm Business Succession Planning
	Tom Kriegl, The Financial Performance of Grazing, Organic and Confinement Dairy Farms	Richard Joerger, Program Delivery and Instructional Media Preferences of Minnesota Producers		Alan Miller, The impact of Role Satisfaction and Conflict on Succession Planning

Demonstrating Successful Farm Management Education Programs

Concurrent Session Abstract Summaries – 20 Minute Sessions

3:00 – 4:00 pm
KC Theatre

Successful Land Rent Negotiations Are More Than Bidding Highest

Willie Huot, NDSU Extension Service

Rapid escalating land values and the changing pattern of land ownership are making land rental negotiations a more complex process for most landlords and tenants throughout the upper Midwest. At the same time, commodity prices are reaching historic levels for most crops grown in this region. This only adds to the competitive nature of the land rental negotiations.

An educational program was developed to improve the understanding of long term trends in ag land values, alternatives to consider in land rental contracts and improving communications between land owners and operators. Over 20 land economic workshops have been conducted throughout communities in North Dakota during the past six months.

Over 750 land owners and operators have participated in these sessions. Evaluations reveal that over 95% of the participants have improved their understanding of various forces impacting land values. Further, the evaluations reveal that about 90% of those attending have improved their understanding of land rental options as well as their ability to communicate between the parties by use of resumes' and newsletters.

Landlord/Tenant Cash Lease Workshops

Allan Vyhnaek, University of Nebraska-Lincoln, and Tim Lemmons, UNL Extension

Most Land owners and tenants want to come up with appropriate agricultural land leases that are amiable to both. With significant amounts of agricultural land being passed to the next generation and with the price volatility of land markets over the past four years, lease negotiations have become more tenuous. University of Nebraska Extension educators developed and delivered programming in 2011 and 2012 to help with landlord and tenant relationships, and help foster the development of flexible cash provisions for farm leases. This programming was held at 43 sites and was attended by 1872 participants.

The Landlord/Tenant Cash Lease Workshop is a three hour effort to: review current land values and cash rent values and trends, cover appropriate communications between the tenant and the landlord, and educate about the use flexible cash lease provisions. This program featured distinct and measurable objectives related to the education of the participants and necessary actions determined to demonstrate success. Simple improvements in understanding of the aforementioned focal topics, while important, are subsidiary to behavior change and action. The purpose of this presentation would be to highlight the methodology of the program, highlight and report on stated objectives and goals, and demonstrate the future research base for these activities.

What is a Fair and Profitable Rental Agreement

David Bau, University of Minnesota Extension

Many landlords are not located in the same location as farmland owned and are in desperate need of determining what farmland rental rates are in the area. They come to the University of Minnesota Extension seeking this information. In 2012 started a new program titled "What is a Fair and Profitable Rental Agreement", working with local educators to provide 20 workshops across Minnesota. Summary of evaluations concluded: Overall workshops received an average evaluation score of 4.22 on scale of 1-5 with 5 being excellent and one the very poor. The highest category score was 4.24 on I better understand farmland rental rates and where to find the information. All categories averaged 4 or higher.

Over 1200 participants, 1/3 were farmers and 2/3 landlords, utilized the workshops to determine rental agreements for 2013. Production Costs, Farmland Rental Rates, Land Values along with Farmland Rental Rates were discussed. Participating farmers averaged 793 acres, landlords 177 farmland acres owned, it would total 387,226 acres of farmland represented at the workshops. This accounts for over 2.5 percent of all the corn and soybeans planted in 2011 in Minnesota. Asked "What was the value of today's workshop to attendee?" average was \$139, applying to all attendees, total value was \$158,738.

3:00 - 4:00 p.m.
Dallas

Farm Transition & Estate Planning: Helping Ohio Farm Families Face the Future
Chris Bruynis and David Marrison, Ohio State University Extension

The average Ohio farmer is 57 years old and a majority have not named a farm business successor or developed an up-to-date farm business transition plan. Additionally, less than one-third of all family businesses successfully transition from first generation to second generation and less than one-third of those eventually transition to the third generation making transition planning education critical. In an effort to maximize transition planning educational efforts, multiple program designs and targeted audiences have been utilized to reach the farm population. Program designs used include presentations as part of larger workshops, all day transition workshops, and multiple day transition workshops. Depending on design, the teaching goal varied from increasing knowledge on current planning tools and tax laws to helping the farm family start and complete many pieces of their transition plan. Targeted audiences have varied from agricultural professional serving farmers, to current farm owners, to the next generation of the family farm. The educational content and approach varied depending on the audience from a presentation format to an activity based format with case studies and suggested document organization. Since January 2012, nineteen programs were delivered in Ohio reaching 882 farmers. Additionally, nine programs were delivered outside of Ohio as invited presenters to another 811 farmers. Typical responses to evaluation data showed increased knowledge on estate tax laws, improved communication and expectations between generation, and sense of urgency to start working on a transition plan to reduce risk exposure. This presentation will provide details of these programs and their impacts.

Implications of DSUE Portability for Farm Estate Planning
Alan Miller, Purdue University Agricultural Economics Department

The American Taxpayer Relief Act of 2012, which was signed into law on January 3, 2013, permanently extended a federal estate and gift tax provision allowing for the portability of applicable exclusion amounts between spouses. This provision was originally enacted into law on December 17, 2010, by the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010. The Congressional Joint Committee on Taxation has estimated that portability will save taxpayers in excess of 369 million dollars over the ten years from 2013 through 2022. But, what are the implications of portability for farm estate planning and married farmers' existing estate plans? Should existing plans be revised in favor of electing portability? This paper concludes that portability may well end up being a problematic addition to the estate planning toolkit if it reduces farm couples' willingness to engage in planning for the distribution of the first decedent spouse's estate. It concludes that achievement of the intended benefits of the provision may be hampered by the regulatory requirements established to implement portability. The paper uses an example of a married farm couple's estates to illustrate circumstances under which existing so-called "marital bypass" plans for married farm estate owners reduce federal estate and gift taxes more than can be accomplished by electing to use portability. Helping farmers understand the advantages and disadvantages of portability versus its alternatives represents an important educational opportunity. The presentation will provide talking points useful for educational programs on the topic.

Farm Business Succession: Transition Tools and Tough Talks
Shannon Ferrell, Oklahoma State University

Building on one of the conference themes as presented by Prof. McEowen, this presentation will provide practical considerations for producers that are contemplating a shift of management and ownership in farm operations. Additionally, the session will also provide tips for educators to help producers "have the talk" with their potential successors about their goals and plans - a talk that far too few producers are currently having, and a talk that can make the difference between success and failure in implementing successful transition planning.

3:00 – 4:00 pm
Houston

Cash and Accrual Records with Quicken Tags

Wm. Bruce Clevenger, Ohio State University Extension

Farms and ranches commonly maintain a cash basis accounting system. While this system is good for preparing an annual tax return, it can be dangerously inaccurate on determining profitability. Studies show a two or more year lag in recognizing profit problems when only using cash basis analysis. Financial decision making can be difficult without the correct information or worse, wrong based on incorrect information. Quicken is a commercially available personal finance software that many farms and ranches have adapted in place of a paper ledger system. Ohio State University Extension Defiance County has taught hands-on, computerized farm recordkeeping workshops with Quicken reaching 100 farmers during 2011-2013. Farmers have asked “Can Quicken do...” about a variety of specific functions and needs on the farm. Examples include: enterprise analysis, tracking performance of specific farms, tracking expenses in one tax reporting year when the income is earned in the following tax reporting year, tracking pre-paid expenses, and separating family living expenses. The software feature in Quicken that makes these analyses possible is tags. Tags used in combination with categories can provide farm managers necessary information to run accurate reports with accrual information and yet maintain the cash basis accounting needs for annual income tax filing. Extension professionals that teach or promote Quicken as a farm recordkeeping system can benefit from learning the flexibility of Quicken to help farmers and ranchers maximize their financial records. This presentation will provide tools and activities to demonstrate the flexibility of Quicken as a computerized farm/ranch recordkeeping system.

Integrated Risk Management Initiative

Elizabeth Yeager, Michael Boehlje, Michael Langemeier, Timothy Baker, Jim Mintert, Brent Gloy, Benjamin Allen, and Sarah Stutzman, Purdue University

This presentation will provide an overview of risk management programming efforts developed and delivered through the Center for Commercial Agriculture (CCA) in the Department of Agricultural Economics at Purdue University. The primary focus will be on case studies written to provide detailed, real-world examples of risks faced by agriculture producers. Topics include relationship risks, expanding the farm business, evaluating alternative enterprises, and growing feed inputs for livestock production. The case studies and accompanying video interviews are used to illustrate risks and allow participants to identify ways to strategically manage risks faced by the case farms. A series of short articles on major risk topics as well as tools to identify and manage risks will be developed. This material will enable producers to develop a holistic risk management plan for their own business.

The Integrated Risk Management Initiative was started in 2012 by a dedicated team of faculty and professional staff at Purdue University. In the development and delivery of the Integrated Risk Management Initiative, we capitalize on the long history of farm management work, depth of knowledge from key faculty, and experience developing and delivering customized programs from the successful Center for Food and Agribusiness (CAB) and CCA. The initial development of the materials delivered is supported by the Indiana Soybean Alliance (ISA). ISA serves a diverse group of grain and livestock producers through funding by the Soybean Checkoff. Agricultural producers who participate in our programs will develop better risk management skills and gain exposure to decision making tools.

Using Trusts in Land Ownership

Michael Duffy, Iowa State University

The amount of land in trusts has increased significantly over the past few years. This presentation will present and discuss the results of two surveys examining trusts in Iowa. The first survey examines the attitude of trustees regarding why trusts are being used, components of the trusts and their fiduciary responsibility as it relates to soil conservation and sustainable agriculture practices. The second survey was a component of a larger land ownership survey conducted every five years in Iowa. This section of the survey asks the landowners who are using trusts why they are using them, types of trusts, who manage the land and a variety of other aspects of putting land into a trust. The two surveys allow an examination of the increasing use of trusts from the perspective of the land owner and the trustee. Implications for farm management education and sustainable agriculture will be discussed.

3:00 – 4:00 pm
Scottsdale

Minnesota Watershed Nitrogen Reduction Planning Tool

William Lazarus, University of Minnesota Department of Applied Economics

The Minnesota Pollution Control Agency is developing a new set of standards for nitrate nitrogen in surface waters. The EPA's Science Advisory Board has also called for a 45% reduction in both N and P in the Mississippi River to reduce the Gulf of Mexico hypoxic zone. A watershed-level nitrogen reduction planning tool (Excel spreadsheet) will be discussed that compares the effectiveness and cost of combinations of nine different "best management practices" (BMPs) for reducing N loads leaving a Minnesota watershed.

The BMPs are: reducing corn N fertilizer rates to extension recommended rates, changing fertilizer application timing from fall to spring preplant or sidedressing, seeding cover crops, installing tile line bioreactors or controlled drainage, planting riparian buffers, restoring wetlands, or converting some corn and soybean acres to a perennial crop. The N loads are calculated in three categories: drainage tile discharges, leaching from cropland, and runoff.

This tool suggests that it will be difficult to achieve a 45% reduction with the BMPs considered, even at high adoption rates. Reducing N fertilizer rates on corn down to extension-recommended levels and shifting from fall to spring or sidedressed applications tend to be among the cheaper BMPs to adopt, but the results vary across watersheds and weather scenarios. Various other factors such as crop and fertilizer prices also affect the results, hence the need for a computer tool.

Oklahoma Drought Response Using Spreadsheet Tools

Roger Sahs and Damona Doye, Oklahoma State University

Beginning in 2011, widespread drought in the southern plains, which was home to a significant percentage of the nation's beef cows, led to lack of forage and water, costly feed and hay, and physical and financial stress on beef producers with substantial liquidation of cows. Producers were faced with difficult decisions about how to manage scarce resources in a rapidly changing market environment. In the short run, liquidation issues were the focus; in the longer run, producers needed assistance in evaluating cost-effective ways of rebuilding the herd.

In collaboration with Texas A&M University, new spreadsheet tools were developed and existing spreadsheet tools were updated and posted on <http://www.beefextension.com> under Cow/Calf and Calculators and on the OSU Ag Econ Extension Software Tools page at http://agecon.okstate.edu/extension/category.asp?category=software_tool to allow producers and educators to evaluate personal situations. The software set includes an early weaning decision aid, sell cows now or later, cow bid price estimate calculator, and a cow repurchase decision tool. Area and state agricultural economics Extension staff from Oklahoma State University assisted livestock and forage production specialists at numerous meetings to quickly address critical needs at a critical time for the Oklahoma livestock industry.

The Development and Use of Two Successful Electronic Decision Aids

Matt Stockton, University of Nebraska—Lincoln

The use of electronic applications or "apps" on various devices such as computers, tablets, phones, iPads, and iPods has become an ever growing part of our society and the business of agriculture. Users of these apps are looking for a balance between simplicity and utility. This presentation is based on the process of creation, evolution and demonstration of two very successful decision tools. These tools are known as the feed cost cow-q-lator (FCC) and cornstalk cow-q-lator (CSC).

These two electronic decision tools are multifunctional and provide information that requires a considerable amount of simple but repetitive calculating. Both the FCC and the CSC have a broad base of users including extension professionals, livestock nutrition professionals, livestock and forage producers.

The FCC provides three types of information; 1) unit cost of crude protein (CP), total digestible nutrients (TDN), and dry matter (DM), 2) a table for comparing various selected feeds simultaneously, 3) and an overview of total cost and amount of feeding a specific ration by feed type. The CSC provides information including management, labor, transportation, and any added costs. The results are divided into several parts which show the cost of the 3 primary factors, transportation, corn crop residue rental, management and labor costs, on a per day per head or total cost basis.

4:00 – 5:00 pm
KC Theatre

Keeping the Legacy Alive: Estate and Succession Planning for Farmers and Ranchers

Ken Hart, University of Idaho Extension

“Keeping the Legacy Alive” is a workshop to help farmers and ranchers plan for estate and business succession. The curriculum was designed to be interdisciplinary, addressing a range of elements that are important to complete estate and succession plans.

This successful workshop showcases University of Idaho Extension educators working together to meet a critical need for today’s aging and largely rural farm and ranch owner population and younger generation of owners-to-be. Several collaborations make this possible, including a partnership with the Idaho Barley Commission and grant funding from USDA Risk Management Agency. Curriculum and program presentations were created by Extension Educators in the North Central Idaho Area of University of Idaho Extension.

“Keeping the Legacy Alive” provides the opportunity for educators to bring their individual areas of expertise into focus on this subject matter, offering participants hope and solutions to roadblocks which frequently have them stymied. Farmers and ranchers often believe that the main problem facing them is the correct legal document or proper legal language, while issues of communication and actual farm/ranch business structure and performance are the problems that need to be addressed first. This workshop engages farmers, ranchers and their families to work on these important tasks. Curriculum, workshop structure, and evaluations from workshops held to date will be shared.

Evaluating Your Estate Plan

Melissa O’Rourke and Kelvin Leibold, Iowa State University Extension and Outreach

Evaluating Your Estate Plan is a core Iowa State University Extension Farm Management program developed and implemented to address the needs of farm families facing estate planning and farm succession challenges. Participants are organized into small groups and assigned cases which groups discuss to apply principles to farm family situations. Pre/post evaluation results showed that 98% have a better idea of how to build an estate planning team; 95% know what information to take when visiting an attorney; and 84% indicated a likelihood of visiting an attorney to revise a will.

Program goals: (1) Improve participant understanding of basic estate planning topics (tax, terminology basics and property ownership strategies); (2) increase participant confidence to prepare for, develop and begin implementing estate planning processes; (3) exercise participant’s estate planning communications skills to improve working relationships with professional advisers. The entire package of promotional, educational, and evaluation materials is available at the <http://extensionme.org/funded> projects site. Fact sheets developed for the program are posted at the Ag Decision Maker website. Evaluating Your Estate Plan is delivered with a two-person team consisting of an experienced farm management educator and an attorney. Program publicity seeks to overcome reluctance to discuss family farm transition issues. Enrollment is limited to 30 participants to facilitate discussion. The registration fee of \$50 covers lunch, refreshments, materials, and marketing. The RME-J5H03845 grant partially funded development and initial program offerings. All post-grant period programs require sponsorship to offset travel and other costs of offering the program.

Lessons Learned From an Indiana Farming Family’s Intergenerational Family Business Transfer

Alan Miller, Purdue Extension Ag Economics

For several years, a case study based on an Indiana crop farm was used in Purdue’s Annual Farming Together Workshop to teach alternative approaches to planning for the transfer of family farm business ownership and management interests. Lessons learned from the experiences of two generations from one family farm were presented for consideration by workshop participants. The case illustrates the importance of flexibility in the planning process as it considers changes in the family farm operation over nearly four decades. It also provides a fine example of the benefits of planning with successors rather than planning for them. In this sense, the case provides a cautionary tale for farm families. This PowerPoint presentation summarizes lessons learned from experience with using the case as a teaching tool and from the author/instructor’s many years of experience with helping farm families with family farm business transfer planning.

4:00 – 5:00 pm
Dallas

Comparing Feed Costs of Different Dairy Systems From 1995 to 2010

Thomas Kriegl, University of Wisconsin

There is a perception that U.S. Agricultural input costs rose slowly and steadily through 2006 before taking a big jump in 2007 due to major increases in energy costs. This jolt caused dairy farmers — especially grazing and organic farms — to question if it pays to feed grain to dairy cows. Another, perception is that the "grazing advantage" increased with the 2006-2007 grain price jolt. To test these perceptions, farm financial data from Wisconsin confinement, grazing (non-organic) and organic farms from 1995 to 2010 was examined to compare feed costs and Net Farm Income From Operations.

Some results were: (1) Estimated total allocated feed costs/cwt. sold trended upward throughout the period for all, indicating that many external factors (weather, increasing energy costs) have somewhat similar effects on all dairy systems in most years; (2) As expected, estimated total allocated feed costs/cwt. sold increased noticeably from 2006 to 2007, and all of the yearly average numbers beginning in 2007 were higher than in any previous year for all Wisconsin groups, suggesting a new and higher plateau for feed costs; (3) Despite differences in the level of NFIFO of the Wisconsin dairy systems, their NFIFO/Cwt sold tended to move in the same direction most years indicating that many external factors (weather, milk prices) influencing profitability have similar effects on all dairy systems in most years; (4) 2008 was the year of the highest estimated total allocated feed costs and NFIFO /CWT sold.

The Financial Performance of Dairy Systems Across the U.S.A.

Thomas Kriegl, University of Wisconsin

The Great Lakes Grazing Network (GLGN) Grazing Dairy Farms Financial Summary project initially sponsored by USDA IFAFS grant project #00-52501-9708, revealed relatively consistent differences in financial performance between individual Great Lakes states and between dairy systems, and demonstrated that the official USDA cost of production estimates were far different from the cost of production calculated from actual farm financial data from the same states. Multiple years of actual farm financial data has been collected from many different systems from many states in the U.S. and put into a similar format to compare actual financial performance between states and dairy systems.

This comparison shows: (1) The financial performance differences between states and systems demonstrated in the GLGN project appear elsewhere in the country; (2) Large differences exist between the cost of production estimated by USDA and the cost of production calculated from actual farm financial performance for the same states; (3) Small dairy systems typically attain more net farm income from operations per dollar of revenue than large dairy systems in the same state. More information about this project can be accessed at <http://cdp.wisc.edu>.

Growing Your Farm Profits Workshops for Ontario Farmers

John Molenhuis, Ontario Ministry of Agriculture and Food Ministry of Rural Affairs

Where do you want your farm to be 5, 10, or 15 years from now? What does your farm business look like today? How do you go from where you are today to where you want to be in the future? While excellent production is important to farm business management, there are other business management skills required to help farmers successfully meet their business and personal goals.

The Ontario Ministry of Agriculture and Food and Ministry of Rural Affairs developed the Growing Your Farm Profits program to help Ontario farmers: (1) Assess current farm business management practices, knowledge, and skills; (2) Prioritize goals for the farm business; (3) Identify resources that can help make meet these goals; (4) Build on a farm business' strengths; and (5) Develop an Action Plan to improve farm management skills and knowledge.

Growing Your Farm Profits workshops are the place to start planning for farm business success. The two-day workshop provides the tools needed to assess current farm management practices and understand how proactive planning can influence effective decision making. The workshops are set in a relaxed atmosphere where personal and financial details are not required to be shared. Identifying business strengths and planning needs allows farm businesses to take the next step of developing an Action Plan to achieve their business goals. In the past four years, more than 300 workshops have been held across Ontario with over 4000 Ontario farmers attending.

4:00 – 5:00 pm
Houston

Engaging Next Generation Farmers Into Successful Farm Management Programs
Eric Richer and David Marrison, Iowa State University Extension

According to the United States Department of Agriculture, nearly 57% of all farm operators are age 55 or older. How do we engage and train those next generation farmers who will continue the important national task of producing food, fiber and biofuels into the future. Despite having great youth agricultural education programs via local FFA and 4-H programs, sometimes the knowledge and experience gap is large between living on a family farm and operating one. This presentation will discuss one new Extension Educator's approach to addressing these knowledge and experience gaps with a NextGen Farmer Series in Ohio. The discussion will include topical briefs on the 2013 program and how the program will be built upon in the next two years. Tactics for attracting the appropriate age demographic (20's and 30's) will be detailed as well as why the NextGen Farmer needs to address financial health, risk management and succession planning issues at a young age.

Comparison of the Farm Business Management Education Needs and Delivery Preferences of Students Enrolled in the Minnesota FBM Program

Richard Joerger, Northland Community and Technical College—Consultant, Ron Dvergsten, (Northland Community and Technical College); Mauvlyn Bowen (Consultant); Jason Jaber (Consultant), Randi Nelson (Consultant), Deanna Allen (Consultant)

The 2010 Minnesota FBM Education Task Force explored strategies to increase producer access to educationally sound and fiscally efficient FBM programming. The FBM Task Force recommended program leaders investigate the delivery and business management education preferences of Minnesota producers. The investigators designed, validated, and administered a questionnaire in the fall of 2011 to 544 FBM students using an online or paper and pencil questionnaire.

Corresponding business management education instructional topics, employee training, and delivery and instructional preference findings for alternate types of farms of different annual gross sales revealed a basis for current and future programming. The FBM producers indicated a large need for foundational business management education. Initial educational topics selected by most farmers were estate planning, retirement plans impact upon tax liability, risk management assessment, and establishing goals. Sixty percent of the producers indicated interest in the advanced topic areas relating to business analysis, budgeting, and developing financial statements.

Though different for crop and/or livestock farmers, FBM farmers generally preferred education programming is delivered in their business setting, on farms, at farm organization meetings, and through blended learning strategies. The producers most preferred printed materials, cell phones/telephone, farm demonstration plots, email communications, newspaper articles, and use of the internet for instruction and information. Investigators concluded there is a substantial desire for foundational and advanced business management education, expanded employee education, and programming delivered in traditional and hybrid formats.

Beef Cow Rental Arrangements

Kevin Dhuyvetter, Kansas State University and Damona Doye, Oklahoma State University

A new livestock leasing publication, "Beef Cow Rental Arrangements for Your Farm," has been added to the AgLease101.org website by the North Central Farm Management Extension Committee. A sample lease form is included in the publication. An accompanying spreadsheet to evaluate livestock share leasing arrangements is posted with the publication (also on AgManager.info and beefextension.com). While livestock share leases are less common than crop share leases, they may become more common in the future. Whether parties want to share risk or simply work together while taking advantage of complementary resources (cows and land) or management skills (forage and beef production), a well-designed lease agreement contributes to clear communication.

Through share lease arrangements, the livestock owner typically shares the production risks, expenses, and returns with an operator. The terms of the agreement depend on the contributions of the owner and operator as well as the motivation for the lease. It is recommended that a beef cow lease only involve the beef cows and bulls. Leasing pasture, hay land, and machinery in a separate agreement provides better flexibility to deal with changing conditions over time. The time and effort spent developing a simple, straight forward, and equitable arrangement in the beginning will be rewarded with better relations between owner and operator and a more efficient beef-cow enterprise.

4:00 – 5:00 pm
Scottsdale

Ag Land Values in a Rapidly Changing Market

Mykel Taylor, Kansas State University

This presentation will focus on the characteristics of publically available estimates of agricultural land values. Historically, the National Agricultural Statistics Services (NASS) of the U.S. Department of Agriculture has generated estimates of agricultural land values for the state of Kansas. The land value data series dates back to the 1960's and provides estimates at both the state and crop reporting district level. Until recently, this was the only source of information on land values and trends.

The NASS estimates are generated via surveys sent to landowners and tenants. The estimates represent average values, without distinction for land quality or other important features. The disadvantage to using NASS estimates is that opinion surveys may not accurately reflect market conditions, especially if land values are changing rapidly. The past few years have seen just such a situation, where Kansas land values have been estimated by the Kansas City Federal Reserve and NASS surveys to be increasing between 20% and 30% annually. If survey respondents have not conducted an agricultural land transaction recently, their estimates may lag the market.

Rapidly changing land values and their implications for farm management and investment decisions warrants further effort. In response to this situation, a presentation of recent research on Kansas land values, using a hedonic price model and actual sales transactions from 2010 to 2012, is proposed. The presentation will also include a discussion of the impacts of changing land values and commodity prices on cash rental rates.

Helping Ohio Families Address Agricultural and Natural Resource Tax Issues

David Marrison, Chris Bruynis, Barry Ward, and Larry Gearhardt, Ohio State University Extension

One of the greatest risks farm families face is tax management. With the uncertainty of the fiscal cliff legislation and explosion of Marcellus Shale lease payments in Ohio, this team developed a comprehensive outreach effort to help families address these new tax scenarios. Since 2011, the team has offered agricultural and oil & gas tax updates to 1,584 tax preparers attending the OSU Income Tax Schools. In addition, the team has conducted 25 programs on oil & gas taxation reaching 1,092 landowners. The team has coordinated an annual Agricultural Tax Issues program utilizing Dr. Phil Harris from the University of Wisconsin to teach 304 participants the latest development in farm taxes. The team also taught 8 farm tax programs reaching 558 farmers.

The team has authored 30 peer reviewed tax articles and 4 Tax Factsheets which were published on the Ohio Ag Manager web site (<http://ohioagmanager.osu.edu>). In 2013, the team began offering Farm Management Webinars using Adobe Connect. Thus far, the team has offered four webinars reaching 175 persons. This included participants from 50% of Ohio's 88 counties and 6 states. The webinar site for these programs is: <https://carmenconnect.osu.edu/ohioagmanager/>

This presentation will provide details of these programs and their impacts. Typical evaluation results showed substantial increase in awareness of tax issues and tax management strategies by the participants. Participants reported they better understand the proper tax forms to use for the different type of income generated from their property and better understand potential tax management options.

1:00 – 2:00 pm
KC Theatre

A Farm Safety Training Program On Human Risk Management for Dairy Producers Using a Labor Force Including Hispanic Workers

Alvaro Garcia and T.E. Renelt, South Dakota State University, C. Mondak, Iowa State University, Ames, and U. Francesa, Private Practice

Dairies along interstate 29 are undergoing expansion. Workload needs prompted hiring of migrant labor oftentimes with little experience. Dairy owners asked their respective Extension services for farm safety training programs to reduce injuries and promote preventive health. A project was developed to: 1. Increase owners' and workers' knowledge and awareness about safety practices, risks, and well-being; 2. Encourage owners to create a "culture of safety" in their operation. An invitational flier was developed and sent to dairies. Forty dairies from MN, IA, NE, and SD participated with 556 employees and 63 owners attended. Training was conducted on-site at one dairy per state, with neighboring dairies attending. To increase owners' and workers' awareness an overview manual and PPT presentations summarized common risk areas. In person recruitment was more effective than phone or mail. The hands-on nature of the project was effective to engage participants. Owners identified the need for safety signage. There was higher likelihood of changing practices when owners co-participated of the workshops. On-farm discussion was more beneficial to express concerns. Changes observed because of the knowledge gained: posting safety signs, installing first-aid kits, use of protective gear (i.e. gloves, goggles, respirators, footbath modification, cow handling facilities modification, development of a customized farm safety manual). These findings will be used in programs to find common ground between animal/human health and well-being.

Employee Feedback As a Means to Improve Employee Management

Phil Durst and S. J. Moore, Michigan State University Extension; and F. D. Soriano, APN Consulting, LLC, Hampton NJ

Dairy management on large farms is primarily about employee management. In many cases, employees are the ones who milk, feed, and provide the care of cows. Yet, management of people is generally an area about which dairy owners express a lack of knowledge and comfort. In 2012 a project was initiated to improve management of employees through feedback provided by employees in a survey administered through anonymous telephone interviews by a single bi-lingual interviewer. The objectives were to 1. Learn about the attitudes, concerns and perspectives of dairy farm employees, 2. Apply that information to management practices and choices, and 3. Recommend changes in management to better engage employees in the success of the operation.

The authors developed a 29-question survey including rating scale and open-ended questions. To date, interviews have been conducted with 126 employees from 8 farms in three states representing an 82% response rate from these farms. Common themes indicate a failure to set and communicate clear goals, a failure to provide training even though employees report a desire to learn, and failure to provide feedback, especially positive feedback. We conclude that this method is effective in getting input that can impact employee management. Changes in management will be tracked over time and correlations made to turnover rate and productivity measures.

Extension Labor Management Programming: Evaluative Outcomes and Impacts

C. Robert Holcomb, Charles Schwartau, David B. Bau, Antonio Alba Meraz, Gary A. Hachfeld and Donald L. Nitchie, University of Minnesota Extension

Many farmers view their work from the perspective of an agricultural producer, not as a personnel manager. Many farmers admit they are not well-trained in managing their hired workforce yet have become increasingly reliant on that workforce. To assist farm operators in becoming more skilled as personnel managers, University of Minnesota Extension developed "Employment Skills for Today: Planning for Success". The program focus is on educational information related to a series of employment topics most often cited as critical by agricultural employers. Topics include such things as labor laws (federal and state), worker compensation and wage laws, compensation plans (development and implementation), and cultural issues for other than English speaking employees. The program was developed based upon evaluation data from three regional site beta tests in 2011. A total of 127 participants attended workshops held between February and June 2012. Those participants reported significant knowledge increases in four of the eight educational points which represents program outcomes. Program impacts from a follow-up evaluation of participants shows those attending did act upon their new knowledge and implement some of the information presented in the workshops.

1:00 – 2:00 pm
Seattle I

Incorporating Fieldwork Days Into Equipment Decisions

Ray Massey, University of Missouri

The Probable Fieldwork Days Model (PFDM) will be demonstrated. PFDM uses USDA Days Suitable for Fieldwork data to estimate the probability of completing specified fieldwork within a specified period of time. The users selects their state and crop reporting district, enters equipment operating parameters such as implement width and field speed, acres worked and the desired beginning and ending dates. The model presents the results in a tabular and graphical format that allows the user to analyze their management options. PFDM contains fieldwork day's data for most of the Midwest states.

Oil, Gas, Wind, and Agriculture: Can't We All Just Get Along?

Shannon Ferrell, Oklahoma State University

Increasingly, agricultural landowners are called upon to not only provide the world's food and fiber, but also its fuel as well. Explosive growth in both fossil fuel and renewable energy means that landowners will be confronted by a number of opportunities and challenges in trying to take advantage of the returns provided by energy development while ensuring they can still use their lands for profitable agricultural operations. This session will discuss a number of the farm- and community-level impacts of energy development, how landowners can negotiate more balanced land-use agreements, and how landowners can avoid conflicts between mineral owners, wind developers, surface tenants, and others.

Strip Intercropping of Corn and Soybeans in the U.S.—Potential Profitability?

Barry Ward, Brian Roe, and Marv Batte, Ohio State University, Department of Agricultural, Environmental and Development Economics

Agronomic trials suggest that alternately planting narrow strips of corn and soybeans in the same fields rather than planting single crop fields of each crop may increase total value of yield for the two crops (Windsor; Bullock and Bullock; Recker). This approach, which is referred to as Strip Intercropping, may improve the efficiency of light reception for the taller crop (corn), though at the expense of shading the shorter soybean crop.

We develop a systematic comparison of the potential profitability of the Strip Intercropping system and the conventional single crop system on both large-scale (5300 acre) and medium scale (1200 acre) corn-soybean operations.

We compare farm-level revenue and cost projections for the two systems under a range of relative corn and soybean prices, weather conditions and strip widths. Relative prices for corn and soybeans are critical as the existing agronomic trials suggest that, as the shorter crop, soybean yields suffer at the expense of improved corn yields.

The analysis suggests that the implementation of Strip Intercropping on operations of a scale that fully utilize the capacity of large capacity equipment would not increase profitability. The analysis does not consider the one-time costs of altering the machinery complement to fit the narrow strip production system, possibly providing further resistance to farmers considering the transition. However, it ignores possible yield boosts from decreased compaction, which may manifest from switching to smaller equipment. Further, additional work is needed to consider the potential profitability for smaller operations that currently possess smaller capacity equipment.

1:00 – 2:00 pm
Seattle II

Long-Term Health Care Planning: Preserving Your Farm or Small Business

Gary Hachfeld, University of Minnesota Extension

“Long-Term Health Care Planning: Preserving Your Farm or Small Business” is a two and one-half hour interactive workshop targeted to farm, ranch and small business owners. Rationale for the program is the rapidly increasing cost of long-term health care which can potentially cripple the owner’s ability to transition the business to the next generation.

Program outcomes measured were participant behavioral change and increased knowledge around the key educational points of the program included a review of current statistics regarding long-term care, a review of current Minnesota long-term care costs, an overview of federal health care programs with examples, a discussion of alternatives for funding long-term health care including long-term care insurance, and a discussion outlining the Long-Term Care Partnership Program. All discussion was within the context of a farm, ranch or small business setting. Outcomes were measured by an end-of-meeting evaluation utilizing a Likert scale of 1 (strongly disagree) to 5 (strongly agree). Cumulative program impacts included how participants acted on their new knowledge and the financial impact of those actions. This was measured by a follow-up evaluation four months after each workshop.

Participants reported their progress with the development and implementation of their long-term health care plan. Participants were asked to self-report the amount of personal assets now protected from long-term health care costs because of a plan being in place. The cumulative evaluative data shows a financial impact in excess of \$29.7 million dollars for the two year program period.

Sustaining the Legacy-Estate Planning and Farm Transition

Heather Gessner, South Dakota State University

Farmers and ranchers are getting older, averaging over 55 years of age in South Dakota. The next generation, producers in the 35-45 year old age group, decreased over 40% from 2002 to 2007. Sustaining the Legacy was designed to provide tools necessary to help families start estate and transition plans. Participants interview attorneys, insurance agents and financial planners with farm estate expertise to investigate the best tools for their operations. To increase family communication, participants define personalities, develop goals, and begin family meetings.

Pre-conference evaluations showed 52% of participants did not have an estate plan. They needed help with: how to get started, what tools are available, and how to utilize tools to accomplish goals.

Follow-up survey results from 2008-2012 participants (n=74 returned from 279 family operations) showed 82% have started their estate plan and 79% have started a transition plan. For estate plans, 44% of participants consider their plan 75% or more completed, with 15% declaring it 100% complete. For transition plans, 38% consider their plan 75% or more completed, with 17% indicating 100% completion.

The type and number of changes made to participants’ plans indicate the program has been educational and motivating. Changes made included: 52% updated their will(s) (x=43), 51% communicated with heirs (x=38), 46% created a trust (x=38), 15% modified life insurance policies and gifted assets (x=12), 11% completed funeral planning (x=9), 10% added retirement accounts (x=8), and 6% sold assets to heirs (x=5).

We will share pitfalls for family communication, finding speakers, and Extension’s role.

1:00 – 2:00 pm
Scottsdale

Selling Your Insurance Bushels

Steven Johnson, Iowa State University Extension and Outreach

A rally in the new crop December corn futures price happens nearly every year during the spring and summer months. The December futures contract tends to move higher, and remains relatively high until at least mid-June when more is known about the planted acreage and yield prospects. New crop November soybean prices often rally in the late spring or early summer months. These higher new crop futures prices during the spring and early summer months are referred to as the Seasonals.

Because most Corn Belt farmers take Revenue Protection (RP) crop insurance, they have the ability to tie pre-harvest marketing of their insurance bushels for delivery. That's because RP guarantees a farm's Actual Production History (APH) times the level of coverage elected (65%, 70%, 75%, 80% and 85%).

These insurance bushels are guaranteed at the higher of two prices: the projected price determined in the month of February for the average December corn futures and November soybean futures. These prices are used to determine the revenue guarantee for each insured crop as well as the premium to be paid in the fall. The key to RP is that if the harvest price increases (October average for those same futures contracts) the revenue guarantee reflects the higher of these two prices. That's a real advantage if there's a shortfall of contracted insurance bushels because that higher harvest price will be reflected in the final indemnity payment.

The ability then exists to sell a portion of these new crop insurance bushels for delivery, using forward cash or hedge-to-arrive (HTA) contracts. So farmers have the ability to tie the sale of these crop insurance bushels to pre-harvest marketing strategies.

The New Commodity Challenge

Edward Usset, Center for Farm Financial Management

Commodity Challenge is a fun and engaging on-line trading game that has been redesigned from the ground up in 2013. It features real-time cash, futures and options quotes for corn, soybeans and wheat. The new Commodity Challenge offers a hands-on educational format for learning about grain pricing tools and the development of marketing plans. Rather than discuss the pros and cons of futures and options pricing strategies, Commodity Challenge allows players to put these tools to work in real time. Instead of talking about the benefits of a marketing plan, Commodity Challenge gives producers the opportunity to test a plan in real time.

As the developer of "Winning the Game" and other innovative marketing education programs, the Center for Farm Financial Management (CFFM) is nationally recognized for its work in grain marketing education. Commodity Challenge offers a one-of-a-kind approach to learning about commodity markets and marketing decisions in farm management - it is the future of grain marketing education.

Attendees at this presentation will learn how Commodity Challenge is currently being used in high school and college classrooms, and by farmers and marketing groups (74 games were started in 2012 and we expect to start many more in the new format). They will also learn about the customizable features of the game and how they can become a game leader.

2:00 – 3:00 pm
KC Theatre

Acreege Shifts in Southern Commodities: Why and Is It Temporary?

Nathan Smith, Amanda Smith, and Don Shurley, University of Georgia

Cotton, fruits/nuts, peanut, and vegetable production have traditionally been the largest source of crop farm gate receipts for Georgia and other Southern states. Recent rankings for Georgia commodities by farm gate value show swings up and down for cotton and peanut in the last decade. Since 2007 acreage has shifted to more grains and soybeans. Vegetables have declined recently and fruits and nuts grown. Forces that led to change and how the shifts have occurred will be examined. A trend outlook will also be given.

Can It Pay To Irrigate Pasture in the Midwest or Northeast Part of the U.S.A.?

Tom Kriegl, University of Wisconsin; Brian P. Nischke and Alex B. Crockford

Production agriculture greatly depends on adequate rainfall for crop quality and yields. Farm operators using management intensive rotational grazing in their dairy and livestock operations try to maximize pasture use since pasture usually provides their most economical feed. Yet pasture is often perceived as being a low value crop that couldn't justify the cost of irrigation. However, the fact that many pastures are dominated by grasses that are not drought tolerant along with a substantial increase in many agricultural commodity and input prices since 2006 has increased curiosity about the economic feasibility of irrigating pasture in Wisconsin.

A research project was conducted from 2009 to 2011 to determine the economic return of irrigating pasture, supported by a Grazing Lands Conservation Initiative (GLCI) grant. The grant paid for monitoring, testing and for two 12-pod K-line irrigation lines for installation on a cooperating grazing dairy farm that invested in the rest of the irrigation system.

Quantity and quality of pasture yield plus rainfall was measured from irrigated and non-irrigated pasture, side by side on the same soil type, on the cooperating farm for three growing seasons, including one that was extremely dry.

The collected data was carefully analyzed and the results were described to help farmers understand the circumstances required to make pasture irrigation economically feasible. The results should be applicable to most areas in the northeast quarter of the country and likely beyond.

The Financial Performance of Grazing, Organic and Confinement Dairy Farms

Thomas Kriegl, University of Wisconsin

Ten Land Grant Universities plus Ontario standardized accounting rules and data collection procedures to gather, pool, summarize and analyze actual farm financial performance from many sustainable, small farming systems which then lacked credible financial data that producers need for decision-making, in a project initially sponsored by USDA IFAFS grant project #00-52501-9708.

This effort, spawned by USDA IFAFS grant project #00-52501-9708, primarily compares Wisconsin grazing dairy farm data to organic and confinement data. However, the Wisconsin data was also compared to the limited amount of organic data collected in other parts of North America.

This project has over 124 farm years of Wisconsin organic dairy farm data spanning twelve years and many more years of data from other Wisconsin dairy systems to help understand the economic competitiveness of these dairy systems.

Insights include:

1. Actual farm financial data from organic dairy farms is still scarce relative to other dairy systems.
2. The financial performance of organic dairy farms looks dramatically different from one part of the country to the other.
3. A number of individual farms are achieving financial success with an organic system.
4. The price premium was very important to the economic competitiveness of organic dairy farms.
5. Grazing dairy farms are economically competitive even with a price medium.

More information about this project can be accessed at <http://cdp.wisc.edu>.

2:00 – 3:00 pm
Seattle I

Ag Risk & Farm Management Library

Kevin Klair, Center for Farm Financial Management

2012 brought a major re-design Ag Risk & Farm Management Library. With over 3,000 publications, the Library is a valuable resource to Ag Educators and Producers alike. The new website offers great tools for Authors and Readers including: Profile pages, Bookmarking and/or emailing of documents, Social Media sharing, Easier uploads and continually updated Ag Blog Rack.

Authors will learn how to easily upload publications, increase visibility, increase document views and connect with readers.

Everyone will learn about the Library's easy-to-use bookmarking, sharing and emailing tools.

Encore Entrepreneurship Extension Education

Forrest Stegelin, University of Georgia

The average age of farmers is approaching 60 years, and those who are at least 60 years old are exiting farming at a rate of 10-12% per year. Because these farmers have been operating family farms non-stop for at least 40 years, accepting life without a daily routine is difficult. Many of these individuals have "retired," only to find themselves desiring a busy lifestyle without the physical exertion of farming. Those with a farm background understand the concepts of risk and coping with uncertainty, and they have a work ethic; but, going from full-time farming to seemingly doing nothing leads to additional personal stressors. They view their decades of experience should be an asset, not a liability, to doing something now. Hence, the step-by-step development of an encore entrepreneurship extension education program for farm families. Initial activities include analyzing their own personality types, conducting personal assessments of being a risk taker in today's environment, asking themselves if entrepreneurship is for them, preparing a personal reflective statement as to why they want to be an entrepreneur, and completing a management audit so that they can better work on their business, as opposed to working in it. Assistance is provided in writing a business plan, getting appropriate assistance, establishing the location, business structure, and financing, registering the business (permits, licenses, and tax ids), and hiring employees. Five four-day sessions, with a max of six farm families per session, have been held, with positive comments and results.

Program Delivery and Instructional Media Preferences of Minnesota Producers

Richard Joerger, Ron Dvergsten, Randi Nelson, and Deanna Allen, Northland Community and Technical College

Producers maintain competitiveness in the global marketplace by strategically using technology, land, labor, capital, and on-going business and production management education. The Minnesota Farm Business Management Education has delivered business management education to producers for over 60 years. Recent changes in increased program delivery costs and availability of new digital instructional technologies contributed to the college and system leaders' decision to investigate the preferences of producers for instructional media and technologies, use of vendors, and desired methods of instruction.

This presentation will summarize the findings of the study which involved responses from 404 of the 2800 producers enrolled in the Minnesota FBM Program. Findings revealed producers preferred that FBM education programming be delivered in their business setting, on the farm of other producers, at farm organization meetings, and through blended learning strategies. Though open to hybrid delivery options, complete delivery of business management education programs using the internet was the least preferred option for learning.

The most preferred instructional methods used for teaching the FBM farmers were: individualized in-person instruction with an instructor, hands-on learning activities, demonstrations and instruction from FBM instructors with specialty knowledge. The producers most preferred printed materials, communication with the instructor by telephone, farm demonstration plots, email communications from the instructor, informative newspaper articles prepared by the instructor, sample programs and simulations, and use of the internet for instruction and information. Findings from additional analyses will be presented. They will reveal differences in these measures due, in part, to the level of annual gross sales and type of farms.

2:00 – 3:00 pm
Seattle II

Peer Advisory Groups for Agricultural Producers

Danny Klinefelter, Texas A&M University

Peer advisory groups are essentially reciprocal advisory boards. The best known example in agriculture is the CREA groups in Argentina. They were started over 50 years ago and today involve 216 groups of 8-10 producers linked together in the AAREA organization. Although they represent only about .5 percent of the country's producers, their operations account for approximately 20 percent of Argentina's agricultural production. Cornell University extension has also formed over 40 dairy discussion groups which operate in much the same way. This past year, Farm Journal Media started the Top Producer Executive Network (TPEN) which eventually hopes to form 500 of these groups. There are also a large number of peer groups that have been formed by individual producers who employ an outside facilitator. The two programs I am personally involved in 1) The Executive Program for Agricultural Producers (TEPAP) and 2) the Association of Agricultural Production Executives (AAPEX) have been promoting this concept for several years. In the summer of 2010, AAPEX conducted a national symposium in Dallas, Texas entitled Peer Advisory Groups in Agriculture: Best Practices and Alternative Structures.

I believe that peer advisory groups represent a critical missing step in the continuous management improvement process. They can deal with issues related to implementation and follow-through, addressing problems and opportunities as they arise, and allow group members to drill down to the level needed to effect change. They allow members to have a team of advisors made up of top producers who have skin in the game, without the fiduciary liability or governance authority associated with a corporate board.

Estimating the Effects on Farm Profitability During a Drought

Gregory Ibandahl, Kansas State University

Last year many parts of the Midwest and the plains experienced a drought. Historically, the droughts in the plains have followed a cyclical pattern. Thus the drought last year could be just the beginning of several dry years. To help provide assistance and guidance to farmers it would be helpful if Extension personnel could estimate the effects on farm profitability during a drought period. This presentation will use data from the Kansas Farm Management Association to estimate the loss of revenue and the potentially higher costs to both grain and beef farms during dry years.

2:00 – 3:00 pm
Scottsdale

Multiple Year Farm Transition & Estate Planning Program Outcomes & Impacts Through Evaluation

Gary Hachfeld, University of Minnesota Extension

“Farm Transition & Estate Planning: Create Your Farm Legacy” is an interactive workshop targeted at farm and ranch families. Multiple year program outcomes measured over an eight year period were participant behavioral change and increased knowledge around the key educational points of the program. Key educational points included individual, family, business and retirement goals; intergenerational communications; tax issues; business entities and transition strategies; treatment of heirs; personal estate planning; and long-term health care planning issues. These were measured by an end-of-meeting evaluation utilizing a Likert scale of 1 (strongly disagree) to 5 (strongly agree). Cumulative eight year program impacts included how participants acted on their new knowledge and the financial impact of those actions. This was measured by a follow-up evaluation done six months after the last workshop. Participants reported their progress with the transition and personal estate planning process and how useful the workshop and workbook they received were in the process. They also listed obstacles and challenges they encountered that may have halted their progress. The end-of-meeting and follow-up evaluation data was used to calculate the impact of the program as well as enabling the program team to improve future programs. Workshops have been delivered in Minnesota, Iowa, North Dakota, and Wisconsin. A total of 5,069 farm and ranch family members have attended representing 2,503 farm/ranch businesses and 1,381 different communities. The cumulative evaluative data shows a financial impact in excess of \$354 million dollars for the eight year program period.

Research Based Farm Business Succession Planning

John Baker and David W. Baker, Iowa State University Beginning Farmer Center

According to the ERS definition 98% of all US farms are family farms and there are twice as many farmers over the age of 65 as are under the age of 35. The farm population is aging and there will be a tremendous intergenerational transfer of farm business assets within the foreseeable future. The Beginning Farmer Center researched the needs of farm families as they develop farm business succession/transfer plans and has develop educational approaches that address the farmer identified needs. The Center has also collaborated in the development for a farm business succession planning facilitation manual to assist extension educators and others in their work with farm families.

The co-presenters will detail the research and describe the educational approaches that have been developed based upon the research. The will also discuss the facilitation manual.

The Impact of Role Satisfaction and Conflict on Succession Planning

Alan Miller, Purdue Agricultural Economics

The presence of conflict in an organization, whether it is a family or business, can have positive or negative impacts depending on the level and degree of severity. Research has found that conflict only becomes disruptive (not necessarily destructive) when members have incompatible values that are critical to the relationship (Busby 1984). An important predictor of disruptive conflict is how tolerant the family is to conflict on a daily basis and how open to communication the family is (Danes and Lee 2004). This study used data from 612 small and medium-sized farm family businesses in the Midwest (Illinois, Indiana, Michigan, and Ohio) going through the succession process. Farms were identified using MarketMaker and surveyed to collect data on owner demographics, business organization, succession, management strategies, business success, and family tensions. This study analyzed factors that affect conflict within the family business setting. We constructed a conflict index with both negative and positive aspects. We investigated the influence of conflict on role satisfaction among family members. By doing this we could investigate the influence of a wider range of factors on perceived conflict during the succession planning process. This presentation summarizes selected results of the study in terms of succession planning process and progress and in terms of the impact of role satisfaction and conflict on succession planning. This information should be useful in assisting family farm business owners who would like to improve the quality of their interpersonal interaction. Co-authors of this presentation are Maria Marshall and Tia McDonald.