



# IFMAPS: A Partner in Farm Financial Planning

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Intensive Financial Management and Planning Support (IFMAPS), a special program of the Oklahoma Cooperative Extension Service, provides confidential business planning assistance to Oklahoma farm and ranch families. IFMAPS specialists work with families to gather information for business plans. The plans typically include budgets for farm enterprises, a cash flow plan, income statement, balance sheet, debt worksheet and financial measures. Specialists provide professional, timely and friendly assistance in evaluating the business aspects of the farm or ranch.

## Who uses IFMAPS?

IFMAPS assistance is requested by Oklahoma producers considering a change in their operation, those simply wanting to get a better handle on their finances, and those applying for the Oklahoma Agricultural Linked Deposit Program. Producers with enterprises ranging from wheat to tomato greenhouses have utilized the IFMAPS program. IFMAPS staff have worked with producers in every county in the state since the program began in 1985.

## What Does IFMAPS Do?

Extension staff help farm and ranch families to:

- Accurately evaluate the financial status of the agricultural business.
- Analyze the financial effects of changes in government programs.
- Identify and assess the options available to the family and business to improve a financial situation. For example, these options could include expanding an enterprise, leasing or purchasing assets or changing marketing strategies.
- Analyze impacts of adding a second generation to the farm business.
- Certify a financial plan for Oklahoma Agricultural Linked Deposit Program loans.

## Cost

Historically, IFMAPS had received federal and state funding to provide free financial planning services to Oklahoma producers. Unfortunately, budget cuts have eliminated this funding, so IFMAPS is now a fee-based program. An upfront fee of \$200 is required prior to the first meeting to cover the cost of the initial consultation and data-gathering session with the IFMAPS specialist and travel expenses. An additional \$300 payment is required upon completion of the budgets, financial statement and follow-up consultation if the case requires fewer than 15 hours to complete. The specialist will estimate the

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are also available on our website at:  
<http://osufacts.okstate.edu>

expected completion time during the first meeting. Analysis of more complicated cases or evaluation of alternative plans will be assessed a supplemental hourly charge of \$50 per hour for plan development, analysis and discussion.

## How to Contact IFMAPS

To receive additional information or to schedule an appointment to receive assistance, call IFMAPS toll-free **1-800-522-3755** or e-mail [IFMAPS@okstate.edu](mailto:IFMAPS@okstate.edu). Requests for farm financial planning assistance can also be initiated through the Area Extension Agricultural Economics Specialists or the Oklahoma Cooperative Extension Service's Extension Educators. Additional information on the IFMAPS program is available at <http://www.agecon.okstate.edu/ifmaps/>.

## Participating in IFMAPS

The typical process for using the IFMAPS program is this:

- Producer contacts local Extension office or the IFMAPS Center on the Oklahoma State University campus at **1-800-522-3755**.
- The case is assigned to a local IFMAPS specialist working for Extension on a part-time basis. These specialists have farm or ranch experience along with training in agricultural economics, accounting or business.
- The IFMAPS specialist contacts the producer to discuss information needed and arrange a mutually convenient time to meet.
- The IFMAPS specialist mails a data collection packet to the producer.
- The producer gathers and summarizes farm records as much as possible before meeting with the IFMAPS specialist.
- The producer and specialist meet to review data and complete the packet. Depending on the complexity of the business situation and how much information has been assembled in advance, this meeting may take one hour to five hours.
- The IFMAPS specialist uses computer software to summarize data gathered into enterprise budgets and financial state-



ments. For very simple cases, the data may be entered in the computer as the data collection packet is completed at the initial meeting. However, in most cases, the specialist will take the completed packet when he or she leaves and will enter the data later.

- In a second meeting, the IFMAPS specialist reviews the budgets and financial statements with the producer to confirm the data are correct. The specialist discusses the financial situation and expected performance with the producer. Finally, the specialist may help develop alternatives to be analyzed.
- If requested, the IFMAPS specialist generates financial statements for alternative plans and reviews them with the producer.
- Once the plans and the review are completed, producers are asked to complete a written evaluation of the services provided. These evaluations help shape the program and ensure that the services provided continue to be timely and high quality.

## Cooperation with State Programs

IFMAPS staff work with producers applying for the Oklahoma Agricultural Linked Deposit Program (OALDP). The purpose of the Linked Deposit program is to promote economic growth within the state. A linked deposit is a deposit made by the state treasurer with a participating eligible lending institution. When the program is active, the lender is given an interest rate of three percentage points below the current two-year U.S. Treasury note rate.<sup>1</sup> The interest savings are passed on to an eligible agricultural or small business borrower. Linked Deposit applicants are required to complete a farm management plan to apply for a Linked Deposit Loan. OSU Extension Fact Sheet AGEC-235, "Oklahoma Agricultural Linked Deposit Loans," describes the program and the eligibility requirements in greater detail.

Beginning farmer applicants may use IFMAPS services to develop financial statements to present to their lenders for the Oklahoma Beginning Farmer Program offered by the Oklahoma Development Finance Authority. For more information, see OSU Extension Fact Sheet AGEC-234, "The Oklahoma Beginning Farmer Loan Program."

## Additional Farm Financial Resources Available

The best financial plans are based on solid historical records for the farm. Several hand-kept record books are available through Extension offices. In addition, information on computerized farm record keeping using Quicken® is available. Quicken is an inexpensive personal financial record-keeping software package that can be adapted for use in the farm business. Information is available through your local Extension educator or the web site at [www.agecon.okstate.edu/quicken](http://www.agecon.okstate.edu/quicken).

A Fact Sheet series has been developed to assist producers in developing financial plans and interpreting financial statements:

AGEC-323	Valuation of Raised Breeding Livestock
AGEC-751	Developing a Cash Flow Plan
AGEC-752	Developing a Balance Sheet
AGEC-753	Developing an Income Statement
AGEC-790	Evaluating Financial Performance and Position
AGEC-791	Schedule of Assets
AGEC-935	Capital Leases
AGEC-937	Consolidated Financial Statements
AGEC-938	Owner Equity Section

The fact sheets are step-by-step references to assist in preparing individual and integrated financial statements and ratios. A case example demonstrates the process. Blank forms are included for those who want to develop a statement for their own farm. This fact sheet series is available at Oklahoma Cooperative Extension Service offices throughout the state and is also available on the web at [osufacts.okstate.edu](http://osufacts.okstate.edu).

Agricultural Economics Extension publications are online at [osufacts.okstate.edu](http://osufacts.okstate.edu). Information about agricultural economics resources is available at the OSU Agricultural Economics department's home page: <http://www.agecon.okstate.edu/>.

### What Oklahoma Farmers Say About IFMAPS

"IFMAPS gives insight on what to expect in the coming years."

Blaine County

"It helps individuals look at their overall program and see what pays and what does not."

Bryan County

"The information received was very important in establishing future plans for my farm operation."

Harmon County

"It is a very good program. It puts information in order and perspective, and makes it easier to understand."

Ellis County

"I think this program is a real plus to us. It makes farmers and ranchers sit down and figure out what is working in their operation"

Roger Mills County

The IFMAPS program is good...I think all farmers should plan yearly and when expanding."

Washita County

"I think it's a tool all of us in production need to use. It puts it on paper to see, what a lot of us assume we know. I appreciate what you are doing."

Woodward County

<sup>1</sup> During periods of very low interest rates, the OALDP is suspended.

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