



IFMAPS: A Partner in Farm Financial Planning

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Oklahoma Cooperative Extension Fact Sheets
are also available on our website at:
<http://osufacts.okstate.edu>

Intensive Financial Management and Planning Support (IFMAPS), a special program of the Oklahoma Cooperative Extension Service, provides free and confidential financial planning assistance to Oklahoma farm and ranch families. IFMAPS financial specialists work with families to gather information for financial 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. In a typical year, several hundred Oklahoma families work with IFMAPS personnel.

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

There is **no cost** to Oklahoma producers. Funding for the specialists comes primarily from the state legislature through grants from the Oklahoma Department of Agriculture, with supplements from United States Department of Agriculture grants when available. This program only requires your time. Spending several hours assembling your records and working with a specialist to review your financial situation can produce great rewards.

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.



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 also available at <http://www.agecon.okstate.edu/ifmaps/index.htm>.

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 1-5 hours.
- The IFMAPS specialist uses computer software to summarize data gathered into enterprise budgets and financial statements. 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. The lender is given an interest rate of three percentage points below the current two-year United States Treasury note rate. 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. Extension Fact Sheet WF-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 Extension Fact Sheet WF-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 can be obtained by calling your local Extension educator or Damona Doye at (405) 744-9836. Also, more information can be viewed at <http://www.agecon.okstate.edu/quicken>.

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

Fact Sheet	Title
F-323	Valuation of Raised Breeding Livestock
F-751	Developing a Cash Flow Plan
F-752	Developing a Balance Sheet
F-753	Developing an Income Statement
F-790	Evaluating Financial Performance and Position
F-791	Schedule of Assets
F-792	Liabilities Schedule

F-935	Capital Leases
F-937	Consolidated Financial Statements
F-938	Owner Equity Section
F-939	Deferred Taxes _____

The fact sheets are step-by-step references to assist you 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 <http://agweb.okstate.edu/pearl/agecon/tax/index.html>.

For those interested in farm financial planning software for personal use, IFMAPS personnel use Integrated Farm Financial Statements (IFFS) software developed by the OSU Agricultural Economics Department. A set of interdependent MicroSoft Excel-based workbooks and budget files allows development of customized enterprise budgets, debt worksheets, balance sheets, and additional information sheets. From these files, a cash flow statement, income statement, and financial measures are generated. The initial plan can be rolled forward one or more years with the same or altered budgets plus capital sales or purchases. For additional information, see <http://www.agecon.okstate.edu/iffs> or call (405) 744-9836. Purchase of the software is **not** required to obtain IFMAPS services.

Agricultural Economics Extension publications are online at <http://www.agweb.okstate.edu/pearl/agecon/>. 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

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