IFMAPS Program Helps Keep Farmers in Business

Issue:

The risks faced by agricultural producers are unlike those encountered in any other small business: weather-related disasters (drought, floods, hail), diseases and pests, changes in the market environment due to global competition, changes in government policy, and rising prices for inputs. As the farm business and family finances are typically intertwined, a family emergency can also contribute to financial pressure on the farm. This past year, low wheat yields, scarce wheat pasture, declining cattle prices and concerns about the security of off-farm income (which normally helps with risk management for many farm families) added to financial pressures. The OCES Intensive Financial Management and Planning Support (IFMAPS) program offers individual, confidential help to farm families to develop and analyze farm business plans. New or different farm enterprises, adding to or reducing the size of existing enterprises, asset restructuring, improving resource use, increasing income from off-farm work, developing more efficient management techniques, debt restructuring, liquidating the farm partially or completely may be considered.

What Has Been Done:

Since its inception in 1985, IFMAPS has assisted more than 5,000 farm families in identifying ways to improve their farm financial future. Agricultural lenders, attorneys, clergy, and Extension staff make referrals. IFMAPS helps producers prepare financial statements, farm budgets, and marketing plans. Producers call the local extension office, the IFMAPS toll-free number (1-800-522-3755), Area Ag Econ Specialists or IFMAPS specialists to request assistance. A meeting at a time and place convenient for the producer is arranged, typically in the producer’s home. Farm records are assembled for use in software and specialists develop and review the plans with producers. The average IFMAPS client over the past 5 years is 50 years old, owns 552 acres of land, rents 950 acres of land, has $937,385 in assets and $588,478 in liabilities. For the last 5 years, an average of 47 families received IFMAPS help annually.

In addition to one-on-one assistance, IFMAPS helps deliver workshops, develop resource materials and computer software, and participate in cooperative efforts with non-extension agencies and groups.

Impact:

Farm families who receive individual assistance are better able to organize their financial information, evaluate this information, and make informed, realistic decisions about their operations. Thus, participants improve their farm financial management skills, leading to improved business operations. In some cases producers save thousands of dollars in interest payment over the life of a loan; in other cases, they get to keep the farm. Producers say:

- “IFMAPS gives insight on what to expect in the coming years.”
- “It helps individuals look at their overall program and see what pays and what does not.”
- “The information received was very important in establishing future plans for my farm operation.”
- “It is a very good program. It puts information in order and perspective and makes it easier to understand.”
• “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.”
• “The IFMAPS program is good…I think all farmers should plan yearly and when expanding.”
• “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.”

**Scope of Impact:** State Specific

**Funding:** State--Appropriations through the Oklahoma Department of Agriculture.

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**Web Site Link to Learn More about This Work:** [http://agecon.okstate.edu/ifmaps](http://agecon.okstate.edu/ifmaps)