Dear Financial Decision Making enrollee:

Welcome to **Financial Decision Making** (FDM). This course will teach you how to develop accurate and useful financial statements for your farm business. You will learn about principles of leverage, cash management, and asset investment. FDM is available completely online, 24 hours per day and 7 days per week, anywhere you can make an Internet connection.

The Moodle account created for you to access this course has a username and password unique to you. Hopefully you used a password that is unique to this system, and you may want to write it on this letter along with the email address you used in the process. Julie and Tim will not have the ability to reset the password for you.

Username _______________________________________________
Password _______________________________________________
Email address ____________________________________________

**How do I get started?**

1. Using Google Chrome, Internet Explorer, or another Internet browser, go to the Iowa State University Extension Moodle site at: https://moodle.extension.iastate.edu/.

2. Enter your Username or email address and password, then click on Log in.

3. Click on FDM.
4. Start reading the learning modules.

**What do we have to do to complete the course?**
In order to obtain your financial management certification, you should review all modules. You must complete the 8 exercises and 8 quizzes that will help you master the concepts. You can keep track of your progress on the checklist that is attached to this letter.

**How long do we have to complete the course?**
Your FSA Farm Loan Manager or Farm Loan Officer may specify a completion date. Most students complete the course with 10 to 12 hours of focused effort. There is no fixed schedule—you can work at your own pace.

**What does FDM contain?**
FDM contains eight learning modules. You can complete them in any order, but they will probably make more sense if you do them in the order they are listed.

1. Financial Statements
2. Analyzing Financial Statements
3. Production Records Analysis
4. Financial Troubleshooting
5. 12 Steps to Cash Flow Budgeting
6. Cash Management
7. Financing Capital Assets
8. Working with Your Lender

**What do we do with the quizzes and exercises?**
You must complete the 8 quizzes online. The questions are multiple choice or true-false type questions. Your answers are automatically recorded. You will immediately see the correct answers and a short explanation for each question. You can retake each quiz as many times as you want to. A 70% or greater score is required for each quiz. You can also scroll almost all the way down on the course page to find the Quizzes section.

The 8 exercises must be completed. You have three alternatives for submitting them. Exercises are acknowledged and processed in the
order that they are received. Links to the exercises can also be found lower on the course page, below the Quizzes section.

1) You can email them to teggers@iastate.edu as an attachment. After printing and filling out the self-contained exercises (Improving Financial Performance and Financing Alternatives), many students will take a sharp picture of them and send that to me with an attachment if they do not have a scanner.

2) You can mail them to:
   Tim Eggers
   Iowa State University Extension
   311 East Washington Street
   Clarinda, IA 51632

3) You can fax them to 712 542 5936.

What grade or score is required for the quizzes and exercises?
Quizzes are graded on a 100 point scale that is converted to a 1 or a 2. A score of 70 or greater will count as a 1. Exercises are graded on a 3 point scale. If an exercise is completed in a way that results in a 2, then feedback will be provided to the student and we will work to get the score to a 1. Very few students have completed the course with a final score of 2. A 3 would be non-completion of the course.

<table>
<thead>
<tr>
<th>Score</th>
<th>Farm Service Agency Financial Management Score Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The borrower attended sessions as agreed, satisfactorily completed all assignments, and demonstrated an understanding of the course material.</td>
</tr>
<tr>
<td>2</td>
<td>The borrower attended sessions as agreed and attempted to complete all assignments; however, the borrower does not demonstrate an understanding of course material</td>
</tr>
<tr>
<td>3</td>
<td>The borrower did not attend sessions as agreed and/or did not attempt to complete assignments. In general, the borrower did not make a good faith effort to complete the training</td>
</tr>
</tbody>
</table>

Where do we get the farm’s financial information for the 6 exercises that require it?
Use information from your own farm if possible. If it is not practical to use your own information, you can use the Smith Farm example case study linked to the Net Worth Statement and Cash Flow Budget exercises. If you use information from your own farm, it can be taken from your FSA financial statements and income tax schedules.
You can complete the financial statements and cash flow budget with a computer spreadsheet or by hand.

1. You can use electronic spreadsheet templates that are linked in the exercise instructions. You will need to have access to a computer with Excel software.
2. If you cannot use the Excel spreadsheets, there are also links to forms in the exercise instructions that you can print and complete by hand. The forms are in Adobe Acrobat file format.

Who will see our financial information if we decide not to use the Smith Farm?
Your financial statements are confidential. They are sent to me, and I am the only one who will look at them. I’ll review them to verify that they satisfy the exercise requirements. They will be returned to you, with comments and suggestions.

What if I have questions?
- Registration status
- Access to the course
- Course content
- Exercises
- Quizzes
- Course completion status

Julie O’Hara
ohara@iastate.edu
712 215 2904

Tim Eggers
teggers@iastate.edu
712 303 7781

What if I decide online learning isn’t for me?
When you registered, you chose between an Online course – delivered via internet connection, and a Correspondence course - delivered via U.S. Mail. If you chose Online and would now like Correspondence, just send a message to ask for it via phone, email, or US Mail. There isn’t an extra charge. The materials and exercises are the same, and they are posted in the Course Supporting Resources under Correspondence Course Materials if you want to print them off yourself. You could also call Tim or Julie to ask us to print them and send them to you.

What feedback will I receive?
Your first feedback from me will be triggered by the first exercise submission. I’ll review the exercise(s) to verify that they satisfy requirements. I will let you know what additional work needs to be done with the exercise if necessary. I will email a reminder of the remaining exercises and quizzes. If you send the materials to me via US Mail, then I will also send a letter via US Mail.
What happens when I’ve completed all of the course requirements?
Once you have completed all the requirements (quizzes and exercises), a certificate of completion will be sent to you. Your FSA loan program manager will also receive a copy of your certificate to make them aware of your success.

Sincerely,

Tim Eggers
Extension Field Agricultural Economist
Financial Decision Making Course Completion Checklist

Name __________________ County FSA Office ___________ Farm Loan Manager/Officer ___________

Address ____________________________________________

Quiz recordkeeping page, Exercise recordkeeping page is on the reverse

<table>
<thead>
<tr>
<th>Module</th>
<th>Quiz Score</th>
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<tbody>
<tr>
<td>Financial Statements</td>
<td>_________</td>
</tr>
<tr>
<td>Analyzing Financial Statements</td>
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</tr>
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</tbody>
</table>

Turn over for exercise recordkeeping
<table>
<thead>
<tr>
<th>Module</th>
<th>Date Submitted</th>
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</thead>
<tbody>
<tr>
<td>Ex VC: Financial Statements</td>
<td></td>
</tr>
<tr>
<td>- Net Worth Statement exercise*</td>
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<tr>
<td>- Income Statement exercise*</td>
<td></td>
</tr>
<tr>
<td>- Statement of Cash Flows exercise*</td>
<td></td>
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<tr>
<td>- Statement of Owner Equity exercise*</td>
<td></td>
</tr>
<tr>
<td>Ex VC: Analyzing Financial Statements</td>
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<tr>
<td>- Analyzing Financial Statements exercise*</td>
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<tr>
<td>Ex VC: Improving Financial Performance</td>
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<tr>
<td>- Improving Financial Performance exercise</td>
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<tr>
<td>Ex VC: 12 Steps to Cash Flow Budgeting</td>
<td></td>
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<tr>
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<tr>
<td>Ex VC: Financing Capital Assets</td>
<td></td>
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<tr>
<td>- Financing Alternatives exercise</td>
<td></td>
</tr>
</tbody>
</table>

* Use information from your own farm if possible. If it is not practical to use your own information, you can use the Smith Farm example case study that is provided in the lessons.

**There are three options for submitting exercises:**

1. **You can email them to teggers@iastate.edu as an attachment.** Improving Financial Performance and Financing Capital Assets are exercises that you can take a sharp set of pictures of with your smart phone and send to me. If the photos are too fuzzy I will let you know so you can resend them.

2. **You can mail them to:**
   - Tim Eggers
   - Iowa State University Extension
   - 311 East Washington Street
   - Clarinda, IA 51632

3. **You can fax them to 712 542 5936.**