

IOWA STATE UNIVERSITY

Extension and Outreach

Success Story

Title

Women Managing Farm Finances Course Helps Farm Families Reduce Risks

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Author's Location

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AMES IA

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CoReporter(s) - ISUEO Staff

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- Scarbrough, Lisa F [VAA]
- Lewis, Darbee L [CO PD]
- Striegel, Suzette K [CO PD]

Relevance

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More than half (53%) of Iowa farms have one or more women producers. These farms manage more than 14 M acres of land and annually market nearly \$13 B in livestock and crops (NASS, 2017.) The 2017 Iowa Farm and Rural Life Poll showed women participated in record keeping and financial management at substantially higher rates than men. Women often sign and take responsibility for farm loans, tax returns and other financial obligations.

Response

Program Response

Women Managing Farm Finances is a 12-hour course that incorporates interactive learning while allowing time for discussion. The program was created to help women better understand financial statements, accounting records, cash flow projections, and income tax records. The course supports women as they gain skills for making key decisions, obtaining loans and managing debt, and fully utilizing farm accounting software. Women learn how to assess the overall financial performance of their farm business.

Charles Brown, Iowa State University Extension and Outreach Farm Management Specialist, offered two courses during spring 2021 in southeast Iowa. Darbee Lewis, Agriculture and Youth Educator- Henry County and Suzette Striegel, Education and Horticulture Coordinator- Mahaska County were the county program leaders. Due to COVID-19, this program was presented as a hybrid with sessions offered in-person and via Zoom. Of the 16 women who participated in the courses, eight women completed a post-course retrospective survey. Two women were interviewed by phone one year after the course.

Type of Change(s)(s)

- Learning Changes
- Behavior Changes
- Condition Changes

Impact Statement

Impact

The Women Managing Farm Finances courses were effective in extending knowledge and empowering women. Extension has an important role in supporting women as they strive to improve their business record-keeping and financial management skills. How well the farm finances are managed significantly impacts both the profitability of the farm business and the well-being of the farm family.

ISUEO Signature Issues

Food & the Environment --> Farm Business Management

Outcomes

Survey Results

The survey asked respondents to consider which topics were valuable and what they learned.

- The most valuable topics were 1) benchmarking, 2) ratio analysis, 3) financial goals and 4) record keeping software.
- Survey respondents indicated on a Likert scale they gained the highest level of knowledge in the categories of 1) purpose of financial ratios and 2) how to calculate a current ratio and working capital.

Open ended questions indicated what was most important and what was surprising.

- “How to compile data and incorporate into balance sheets and other financial statements.”
- “How balance sheets verses taxes work and how they can work together.”
- “Importance of setting short, intermediate- and long-term goals in a farming operation.”
- “The information was more detailed than I expected so I learned A LOT!”

Survey respondents indicated next steps.

- There were 75% of respondents indicating they will add responsibility for creating new financial reports.
- There were 63% of respondents indicating they wanted more farm finance workshops.

Participant Stories

Jean Stout and her husband, Rob, raise crops and hogs. She is a retired financial and statistical analyst and current childcare provider. Jean and Rob have six children and one of them is currently working with them in the farm business. “This was a great class. Charles is easy to talk to. The class helped us think past today to plan our future,” shared Jean.

The most valuable part of the class for Jean was learning more about tax Schedule C and Schedule F. “I got specific detailed information about how to code farm expenses in QuickBooks. I want to get the information in correctly, so we can get good information out,” shared Jean. She has been using QuickBooks for a few years, but really appreciated the opportunity to strengthen her coding skills and understand more about how an item might affect assets or expenses.

Learning about Ag Decision Maker, www.extension.iastate.edu/agdm, the Iowa State University Extension and Outreach Farm Management website, was also helpful for Jean. She valued the notebook of information Charles prepared and refers to it often. Jean enjoyed the two guest speakers. Carol Ehlers, Iowa State University Extension and Outreach, Human Sciences Specialist, discussed farm family living budgeting and provided benchmarking resources. Leslie Miller, a retired banker, discussed borrowing and debt management. “The class was eye-opening. I didn’t know I needed to know some of the things that were discussed,” said Jean.

Since the class was in the evening, Jean could participate once her childcare activities were completed. “This class was a priority for me,” shared Jean. She appreciates the extension opportunities. “The estate planning class my husband and I took with Charles was really helpful, too,” said Jean. Women Managing Farm Finances inspired Jean to talk more with her husband and son about the farm finances. After each class, her head whirled with ideas about what to do next and what she could do better. Jean advises other women to, “make sure you understand your accounting.”

Jean recognizes every Iowa farm and farm family is so different. She enjoyed meeting the other women and discussing record keeping and farm management with them. “I’m proud of those older women who are still keeping the books, but my goal is to pass my knowledge to the next generation,” said Jean.

Carol Remick and her husband, Joe, currently raise crops and previously raised livestock. She is retired from the banking industry. Carol and Joe have three adult children and one of them is currently working with them in the farm business.

“Charles is a wonderful instructor. It is easy to ask questions and he makes you feel comfortable,” Carol stated. She participated in several extension classes and really likes the women-centered programs such as Annie’s Project and Women Marketing Grain. “I find a lot of us women are in the same situation. We work(ed) off the farm while our husband’s work(ed) on the farm. I felt comfortable chatting with other women in the class,” shared Carol.

The class topics reminded Carol farming is not an easy business. She and her husband are both college graduates. “There is no one that is ‘just’ a farmer anymore,” stated Carol. “It’s fun to drive the tractor or watch the baby calves, but more and more I appreciate all that my husband knows and does from planter calibration to taxes, and how much it takes for both of us to run a successful business,” she added.

“All the topics in the class were valuable,” Carol stated. When Leslie Miller talked about managing debt, she thought about all the ups and downs in farming. “I’m grateful for the opportunity to have a positive lender relationship, that person in our local community bank to work with when we need them,” she said. When Carol Ehlers talked about farm family budgeting, Carol thought about how hard it is to plan and budget for one year at a time, especially balancing the needs of the home and children with reinvesting in the farm business.

The financial statement discussions, as well as those about accrual accounting, with Charles were very helpful. Carol gained a better understanding of what her husband was talking about. She began working with the farm financial records five years ago. “The class helped fill in the gaps for me and opened the door to conversations with my husband and son,” said Carol. She appreciated being able to share the worksheets and informational resources with them. “As we are coming into a different time in our lives, the class has given us an appreciation for how far we’ve come, starting with nearly nothing and learning more each year,” shared Carol.

Carol advises other women to give the next generation opportunities to keep learning and trying new things. “Right now, we’re having discussions with our son about incorporating a drone and how that will impact the farm business,” she shared.

Location / Participant(s) Came From

- County

- Carroll
- Des Moines
- Henry
- Johnson
- Mahaska
- Polk
- Washington
- Webster
- Winneshiek

Partner(s)

- County Extension Staff