

Innovations in Teaching Farm Financial Management to Producers

Richard L. Trimble and Steve Isaacs

University of Kentucky, Lexington, Kentucky, USA

The United States Congress mandated in 1994 that Farm Service Agency (FSA), our lender of last resort, borrowers would be required to participate in farm financial management training. University of Kentucky Farm Management Specialists developed an Extension training program specifically for this purpose. A substantial registration fee, the compulsory nature of the training, and a grading requirement combined to make a challenging educational task. Participants with little experience in financial management further complicated the endeavor. These conditions created the need for new ideas to overcome the obstacles. This poster presentation will serve to highlight, display, and demonstrate the new educational ideas used. The innovations to be depicted include:

- Simultaneous use of two overhead projectors to facilitate the teaching of both farm record keeping and the preparation of financial statements
- Simplification of a traditional Balance Sheet and an Accrual Adjusted Income Statement
- Use of color coded information sources to facilitate preparation of financial statements
- Revision of an existing Kentucky Farm Record Book to include new financial statements
- Integration of enterprise budget related information into record keeping exercises

Each of these innovations in teaching financial management to this Extension audience may sound easy, simple, and straight-forward. It was not! This group required a “greatly simplified” approach. Each new idea took exhaustive testing through application in our workshops to perfect. Ultimately, the innovations proved to make the teaching of farm financial management both more efficient and more effective.

Keywords: innovations, teaching, farm, financial, management, extension