

NUTS & BOLTS

... Teachers delivering knowledge that works to North America's Farm and Ranch Families

Volume 15 Number 2

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Strategic Planning for the Farm

By James Kastanek, Total Agri-Business Services, Inc., Albany, MN

- 1. Use a team approach. Everyone involved must be on the same song sheet. To buy in, everyone should be in the planning, developing and finalizing of the goals. Everyone must work towards the same objective.
- 2. Meet off the farm to avoid interruptions. You can't plan when you are constantly being interrupted.
- 3. Identify six of your weakest links in your operation area that keep you from making more profit.
- 4. Develop a plan to correct the weak areas. Identify the steps that need to be taken.
- 5. Make one person responsible for carrying out the changes.

- 6. Put your goals in writing. This is a key factor. Written goals are way more likely to be achieved than verbal goals.
- 7. Monitor progress monthly.
- 8. When you achieve a goal, have a small party, give credit where credit is due. Too often, we fail to praise people for their accomplishments.
- 9. At year-end, discuss progress or lack thereof on each of your weaknesses.
- 10. Repeat the process next year tackling new and different problems.



All Work and No Play? Jerry and Em Bartel (MN) won the NFRBMEA traveling sports trophy for the highest score in miniature golf during the conference in Breckenridge, Colorado.

THE NFRBMEA IS A NON-PROFIT 501(c)3 CORPORATION

NFRBMEA Board Sets Course

A Message from Ira Beckman, NFRBMEA President

N ow that the Christmas decorations have been stored away, it is the season for us to be up to our throats in records, balance sheets, tax forms, analysis, and cash flow plans. I hope the busy season is going well for all of you. Keep in mind things could be worse; we could be employed doing something else.

As many of you know, the weather in southern Minnesota has been extremely nice if you are not a big fan of ice fishing or snowmobile riding. My nephew got married January 26. The high was 50 degrees that day, and my cousin the gravedigger informed us that there was only from zero to four inches of frost in the ground. The frost is normally at least



a couple of feet by now. Many farm records are not up to their usual standards. One farmer told me "It is a lot easier to work on records when it is 20 below instead of 30 above. I could still be tiling." How do you folks in warmer climates keep your farmers and ranchers motivated for record keeping?

Your registration packets should have arrived by now for the 30th annual conference. Larry Oraskovich and his group from South Central Technical College promise an educational and worthwhile conference. The theme once again is "The Next Generation Agriculture and Value Added Marketing." Get your registrations in early. It is a good time management practice to handle mailings as few times as possible. You may as well take care of it now as later. Many college budgets are also likely to get tighter later in the school year especially here in Minnesota.

The Board of Directors held the Fall Board meeting from November 14 - 16, 2001 at the Holiday Inn and Suites in Owatonna MN. As you can see from the minutes, we had an extremely busy three days. Many thanks to all the board members for their time and in-

put. Be sure to check out the minutes for information about what occurred.

One focus area we worked on was teacher recruitment and retention. After extensive discussions, we identified three levels of action. They are:

- 1. Awareness Advertising, brochures, flyers, etc... should be available to promote farm/ranch business management education. The <u>website</u> will also be an integral part of this effort. Jim Kelm and Wayne Pike volunteered to lead this effort.
- 2. Familiarization Once an individual shows interest in farm/ranch management education, a program should be in place to help familiarize them with what an instructor actually does. Don Roberts and Laurie Morris will lead this effort.
- Certification and Training A new instructor should have a minimum knowledge level so they are more comfortable with what they are teaching. This would include technical information, working with adults, recruiting new students etc. Lynn Schluckebier and Tom Weygandt will work on this.

The Board also focused on identifying goals of the NFRBMEA. The Past Presidents have formed a committee to obtain funding for us. We felt it is important for us to identify, propose, and carry out goals that are consistent with our vision and purpose. We identified the following goals listed in no particular order: instructor recruitment and retention, staff – part time director, publish curriculum, grants, mentoring, internships, membership development in non-participating states, independent funding of the conference, communications, membership services, industry connections, alliances/ partnerships with other groups, leadership training, and publication of an annual report. We will now look at prioritizing this list. We welcome your input. Please send me <u>e-mail</u> if you would like to share your thoughts.



Providing Information on Crop Insurance

By Laurence M. Crane, Director of Education and Training National Crop Insurance Services

Congress envisions crop insurance as a key tool for farmers to manage their production risks. For this reason, they passed crop insurance reform legislation as part of ARPA (Agricultural Risk Protection Act), reducing producer premiums and expanding coverage. Major components of this reform effort are new pilot programs and education specific to the needs of livestock and specialty crop producers, and increased emphasis on risk management education and special initiatives focusing on underserved states.

To help meet this educational challenge, National Crop Insurance Services (NCIS) developed a video titled, "Integrated Risk Management," that describes how crop insurance can be used to strengthen marketing and financial risk management plans. It is available on both VHS tape and CD. A CD copy was sent last fall to the entire NFRBMEA membership. (If additional copies are needed, please contact NCIS). This video received First Place recognition in the electronics publications category at the Best of NAMA 2001 Region 2, and is being evaluated for the national award.

The purpose of this video is to make it easy for individuals who provide risk management education (RME) to farm audiences to include accurate information on crop insurance. With the increased emphasis on risk management education there was a need for accurate educational materials describing how crop insurance can be used in conjunction with other risk management tools. This video is approximately 15 minutes long and is especially beneficial to those who provide RME, but who personally have a limited understanding of crop insurance. It is an educational resource tool that can be used at several levels of educational activities, including producer meetings, train-the-influencer conferences, and formal school settings.

This is just one of several NCIS activities aimed at helping the general agricultural education community stay current in their understanding of crop insurance and risk management related issues. NCIS is an active sponsor of educational activities by many organizations including the NFRBMEA, FFA, AFA, and Cooperative Extension. NCIS is planning a workshop for the NFRBMEA conference this summer. This workshop will cover the basics of crop insurance and review the individual characteristics of the major insurance products. As an international not-for-profit organization, NCIS doesn't sell crop insurance, but rather represents more than 60 crop insurance companies who do. NCIS member companies write Crop-Hail Insurance, Multiple Peril Crop Insurance (MPCI)—the federally subsidized risk management program—and privately developed crop insurance products totaling approximately \$3 billion in premium, with liability totaling approximately \$50 billion. These companies service all farmers participating in the federal program, including limited-resource and socially disadvantaged farmers. NCIS member companies range in size from one-state companies to national writers.



A Different Look By Deb Pike, Co-editor and Webmaster

At the November Board Meeting we discussed whether distributing *NUTS & BOLTS* via email would be accepted by the members and advertisers. Several board members indicated a preference for receiving their newsletters via email, but they wanted to be sure that those who do not have access to email or prefer receiving the printed format are still able to receive their issues.

The printed version will still be available as long as there is a need for it. The email version will feature two choices: PDF format (requires the free Adobe Acrobat Reader) or as a .doc file. And you'll still be able to find it at www.nfrbmea.org!

If you would prefer to receive *NUTS & BOLTS* via email, please send your request to me at dapike@smig.net.

National Farm and Ranch Business Management Education Association, Inc. Fall Board of Directors Meeting Highlights

The NFRBMEA Board of Directors met on November 14-16, 2001 at The Holiday Inn and Suites, Owatonna, MN. Members present were: Ira Beckman, Lynn Schluckebier, Laurie Morris, Jim Kelm, Tom Weygandt, Don Roberts, Larry Oraskovich, Wayne Pike, Deb Pike, and Al Graner. Also attending parts of the meeting were Vic Richardson, Dennis Jackson, and Doug Wertish.

President Ira Beckman presided. All minutes were read and approved.

Wayne Pike reported on *Nuts & Bolts*. The Board discussed publishing *Nuts & Bolts* via email and approved an experimental e-mail publication of *Nuts & Bolts*.

Deb Pike reported that the NFRBMEA website's Teacher's Lounge page is seeing little activity, but otherwise is having brisk action.

Laurie Morris, Historian, reported that this coming year will be the 30th Anniversary of NFRBMEA conferences. She would like more material and pictures of earlier conferences.

The Board approved \$200 annually to compensate Vic Richardson for preparing the NFRBMEA federal and state tax returns.

The Board approved \$100 annually to contract with Vic Richardson, working under the direction of the Audit Committee, to perform audits of the conference and the Treasurer's books.

The Board acted to record in the Secretary's minutes that the Board has discussed and agreed that NFRBMEA is in compliance with the requirements of a 501(c)(3) corporation.

Each Board member presented a "Curriculum Minute" as a professional development activity during the course of the meeting.

Lynn Schluckebier was appointed to direct the preparation of an annual report with potential sponsors as the primary target audience.

Laurie Morris reported that 200 people attended the 2001 Conference at Breckenridge, Colorado, resulting in conference profit of \$1,641.46. Larry Oraskovich, 2002 Conference Chair, reported that the theme for the 2002 conference in Owatonna, MN will be "The Next Generation Agriculture and Value Added Marketing". The Board set vendor fees at \$100 per exhibitor plus \$50 for each additional attendant.

Rules for the Exchange of Ideas will be unchanged. 5 ideas will be funded at \$100.00 each. NFRBMEA will also award 5, \$200 scholarships to the conference with the same rules as last year's conference for 1^{st} Timers.

- Nominations for the Distinguished Service Award were discussed.
- Al Graner, 2003 Conference Chair, reported on plans for the conference, June 8-12, 2003 in Minot, ND. Theme of the conference will be, "Reaching Beyond Our Borders".

The Board had extensive discussions concerning strategic planning and teacher recruitment. The Board feels that the NFRBMEA should be a leader in bringing new, highly qualified individuals into the profession of farm business management education. Three levels of action were identified: Awareness, Familiarization, and Certification and Training. The Board divided responsibility for each of these areas among the members. Each two-member team will report on their progress at the pre-conference Board meeting in June. \$3000 was approved to meet the expenses of meeting this objective.

The Board proposed the following as organizational goals of the NFRBMEA. Listed in no particular order, they are:

- 1) Instructor recruitment / retention.
- 2) Staff part-time or full time executive director
- 3) Publish curriculum.
- 4) Grants.
- 5) Mentoring program.
- 6) Internships.
- 7) Membership development in non-participating states.
- 8) Independent funding of the conference.
- 9) Communications possible consultation with an expert
- 10) Study membership potential, what else can we do for our members.

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(BOARD MEETING, continued from page 4)

- 11) "Curriculum Clearing House"
- 12) Industry connections with FBM.
- 13) Alliances / partnerships with other groups.
- 14) Member articles in popular publications.
- 15) Fall leadership seminar / training.
- 16) Annual Report with vision/mission/goals

The Board approved the listing of position openings related to farm business management education free of charge on the NFRBMEA website.

Meeting adjourned, Tom Weygandt, Secretary

> (See the Web for Tom's complete Fall Board Meeting minutes)



Dig into your Archives! By Laurie Morris, NFRBMEA Historian

e will kick off our 30th Annual Conference with a look back over the years with Dr. Edgar Persons, "The Father of Farm/Ranch Management." To assist with this part of the program your Conference Hosts have included a photo tour of our organization. Please help me out by sending photos and/or memories you have tucked away that we could share. I have photos back to 1990 but not much prior to that.

As a "family unit" we have watched our programs evolve, our children grow, and yes our maturity develop! Let's look back and see where we came from, where we are, and where we might head!

As we affirmed at our November Board Meeting in Owatonna, our Minnesota Hosts are doing a terrific job putting together a dynamite program for us, hope to see you there!

(Laurie's contact information can be found on Page 10 of this newsletter.)



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Ultra Farm for Windows Now Available

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Employment Opportunity

POSITION: Farm Management Advisor

QUALIFICATIONS: BA & MA in Agricultural Education plus experience in Adult Farm Management work or Extension Farm Management work. PhD very helpful long term.

SKILLS: Experience in enrolling farm families in Farm Management programs. Good working knowledge in Farm Management, Farm Management analysis, computer skills in spreadsheets, Ultra Farm, Word Perfect, strong dairy knowledge very helpful. Hog and crop management skill necessary. Working knowledge of farm taxes, depreciation schedule, Partnerships and Corporation structures. Must have the ability to motivate people to better themselves. Farm and office visits, group sessions, workshops, E-mail, newsletters and telephone consultation are all part of information dispensing system. Be working with experienced staff and 2 to 4 years of transition to learn working components of the business.

LONG TERM OBJECTIVE: Acquisition of exciting business with up front monies of \$15,000-\$25,000, rest acquired over time with terms.

CONTACT: James Kastanek Total Agri-Business Service Inc. P.O. Box 366 Albany, MN 56307 320-845-4795

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NFRBMEA EXCHANGE OF IDEAS

NFRBMEA Conference in Owatonna, MN June 9-13, 2002

\$100 will be awarded to the first five (5) individuals submitting an outstanding idea for the Exchange of Ideas activity by **May 1, 2002**. To qualify, have an idea and complete the form below including a brief description of your idea. This is not a contest.

Individuals applying for the "Exchange of Ideas" award must agree to the following rules:

- 1. The <u>first five qualifying entries</u> by NFRBMEA members for the Exchange of Ideas activity will receive a \$100 award. The award will be presented June 13, 2002.
- 2. Applicants will complete the following registration form (or a copy) and submit it as soon as possible. Recipients will be notified of award status by May 10, 2002.
- 3. "Ideas" need not be original, but must have the applicant's work evident in its adaptation. "Ideas" must be of professional quality and scope.
- 4. Applicants will make a fifteen-minute overview presentation on their "Idea" on Thursday morning, June 13, at the 4th General Session. This presentation will be from 9:30 to 11:00 AM. Be prepared to answer questions from conference participants.
- 5. Submit YOUR "Idea" to Jim Kelm by May 1, 2002. (Include copies of presentation materials (hard & electronic) so they can be included in Conference Proceedings)
- 6. Send your Exchange of Ideas entry to: Jim Kelm 491 Highway 19 Red Wing, MN 55066 (651) 388-9676 riverInd@pressenter.com

Detach here

Exchange of Ideas Application

Due May 1, 2002

NFRBMEA Applicant (I	Please Print):		
Mailing Address			
City	State or Province	Postal Code	
Phone Number	E-Mail Address		
Briefly describe your Ide	ea:		
5			

I agree to the Exchange of Ideas rules above: Signed:___

Is it Education or Service?

By Paul Gorman Ed.D.

(Paul is a farm management instructor with South Central Technical College in Mankato, Minnesota.)

How do your students view farm and ranch business management education? Do they perceive farm and ranch business management as an educational or a service program?

Instructors do not keyboard farm records for students. We teach how to do effective farm records and how to interpret the data. Instructors do not do taxes for students, but we teach farm tax planning each fall. Instructors do not make market predictions or make marketing decisions. We do teach the fundamentals of using marketing tools and challenge students to become more proactive and aggressive in making market decisions.

An example of an instructor's activity that might come the closest to appearing to be a service occurs when we prepare a long-range budget for a student to satisfy a lender requirement. However, our work together with the student to develop the base plan that incorporates student data and goals to accurately represent a typical year in the life of the student's business is an educational experience of great value. As we compare alternative scenarios for business expansion or improvement of return on assets we are learning as we go and applying prior management lessons to new situations.

Farm and ranch management instructors are committed to delivering an educational program that provides students with more tools for effective business management. Students should expect an educational program that empowers them to be more effective managers.



Wayne & Deb Pike 14274 780th AV LeRoy, MN 55951-6661



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ADDRESS SERVICE REQUESTED

OFFICIAL WEBSITE: www.nfrbmea.org

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