

**V(A). Planned Program (Summary)**

**Program # 2**

**1. Name of the Planned Program**

Economics of Crop Production

**V(B). Program Knowledge Area(s)**

**1. Program Knowledge Areas and Percentage**

KA Code	Knowledge Area	%1862 Extension	%1890 Extension	%1862 Research	%1890 Research
601	Economics of Agricultural Production and Farm Management	25%		0%	
602	Business Management, Finance, and Taxation	25%		0%	
603	Market Economics	25%		0%	
604	Marketing and Distribution Practices	25%		0%	
	<b>Total</b>	100%		0%	

**V(C). Planned Program (Inputs)**

**1. Actual amount of professional FTE/SYs expended this Program**

Year: 2010	Extension		Research	
	1862	1890	1862	1890
Plan	9.0	0.0	0.0	0.0
Actual	9.0	0.0	0.0	0.0

**2. Actual dollars expended in this Program (includes Carryover Funds from previous years)**

Extension		Research	
Smith-Lever 3b & 3c	1890 Extension	Hatch	Evans-Allen
288000	0	0	0
1862 Matching	1890 Matching	1862 Matching	1890 Matching
432000	0	0	0
1862 All Other	1890 All Other	1862 All Other	1890 All Other
0	0	0	0

**V(D). Planned Program (Activity)**

**1. Brief description of the Activity**

- Identify emerging issue.
- Provide enterprise budgets, resource use alternatives, crop insurance options, marketing strategies and other resource material reflecting best management practices.
- Evaluate effectiveness of alternative management practices.
- Develop presentation materials.
- Offer in-service education, presentations and workshops.

**2. Brief description of the target audience**

- Owners, managers and employees of farm operations
- Marketing club members and facilitators
- Agribusiness and government agency personnel

**V(E). Planned Program (Outputs)**

**1. Standard output measures**

2010	Direct Contacts Adults	Indirect Contacts Adults	Direct Contacts Youth	Indirect Contacts Youth
<b>Plan</b>	5000	250000	0	0
<b>Actual</b>	12048	300000	400	1000

**2. Number of Patent Applications Submitted (Standard Research Output)**

**Patent Applications Submitted**

Year: 2010  
 Plan: 0  
 Actual: 0

**Patents listed**

**3. Publications (Standard General Output Measure)**

**Number of Peer Reviewed Publications**

2010	Extension	Research	Total
<b>Plan</b>	10	1	
<b>Actual</b>	16	5	21

**V(F). State Defined Outputs**

**Output Target**

**Output #1**

**Output Measure**

- {No Data Entered}

**V(G). State Defined Outcomes**

**V. State Defined Outcomes Table of Content**

O. No.	OUTCOME NAME
1	Number of producers and others attending workshops, marketing clubs and other events.
2	Number of participants demonstrating an increase in subject knowledge and skills.
3	Evidence of producers employing enterprise budgets, using computerized decision-making tools, writing marketing plans and adopting recommended management tools.
4	Number of marketing clubs in the state.
5	Evidence of producers having a more productive working relationship with agriculture service personnel.
6	Evidence of producers implementing activities indicated by the management tools.
7	Evidence of benefits from marketing club participation and best management practice implementation.
8	Estimated value of adopted best management practices to the individual and to the state.
9	Number of families of North Dakota farms and ranches who received information to develop plans for intergenerational transfer of farm assets.

### **Outcome #1**

#### **1. Outcome Measures**

Number of producers and others attending workshops, marketing clubs and other events.

Not Reporting on this Outcome Measure

### **Outcome #2**

#### **1. Outcome Measures**

Number of participants demonstrating an increase in subject knowledge and skills.

Not Reporting on this Outcome Measure

### **Outcome #3**

#### **1. Outcome Measures**

Evidence of producers employing enterprise budgets, using computerized decision-making tools, writing marketing plans and adopting recommended management tools.

Not Reporting on this Outcome Measure

### **Outcome #4**

#### **1. Outcome Measures**

Number of marketing clubs in the state.

Not Reporting on this Outcome Measure

### **Outcome #5**

#### **1. Outcome Measures**

Evidence of producers having a more productive working relationship with agriculture service personnel.

Not Reporting on this Outcome Measure

**Outcome #6**

**1. Outcome Measures**

Evidence of producers implementing activities indicated by the management tools.

Not Reporting on this Outcome Measure

**Outcome #7**

**1. Outcome Measures**

Evidence of benefits from marketing club participation and best management practice implementation.

Not Reporting on this Outcome Measure

**Outcome #8**

**1. Outcome Measures**

Estimated value of adopted best management practices to the individual and to the state.

Not Reporting on this Outcome Measure

**Outcome #9**

**1. Outcome Measures**

Number of families of North Dakota farms and ranches who received information to develop plans for intergenerational transfer of farm assets.

**2. Associated Institution Types**

- 1862 Extension

**3a. Outcome Type:**

Change in Knowledge Outcome Measure

**3b. Quantitative Outcome**

Year	Quantitative Target	Actual
2010	{No Data Entered}	500

**3c. Qualitative Outcome or Impact Statement**

### **Issue (Who cares and Why)**

The increasing financial size of North Dakota farms and ranches and the increasing average age of owners have heightened the importance for developing plans for intergenerational transfer of assets. Farm and ranch transition and estate planning has also been one of the top topics requested by agricultural producers in recent Extension surveys. Follow-up surveys identified that many farm and ranch owners do not even have a will. Several indicated that they do not know where to start or where to go to begin the estate planning process. Others indicated that at meetings they have attended in the private sector, there was more pressure to buy life insurance or long-term-care insurance than to plan the intergenerational transfer. These farm families need unbiased educational programs in estate planning.

### **What has been done**

A statewide steering committee was formed to develop a Farm and Ranch Transition and Estate Planning program. A three-session educational series was developed and delivered at 17 locations throughout North Dakota. Each session was 3 hours long and was delivered by both interactive video and local presenters including University professors, Extension specialists, attorneys, and Extension agents. Topics included importance of family communication, transition planning, business organization forms, asset transfer options, tax implications, power of attorney and probate. Attendees were introduced to several on-line transition planning tools.

### **Results**

Over 500 individuals, including couples and families, participated in the Farm and Ranch Transition and Estate Planning program, which will be continued in 2011. Some of the measured impacts included: 98 percent of the respondents stated that the information was very valuable to them; 95 percent increased their confidence in developing or improving an existing estate plan; 88 percent increased their knowledge regarding how to communicate with family members about estate planning; and 70 percent improved their understanding of the tax consequences of transferring assets. These training sessions provided valuable knowledge and tools to the participants. One couple stated on their evaluation, "These sessions gave us the motivation we needed as a couple to get the process started." Another participant stated the most useful part of the program was learning the "methods of holding assets and transferring them to heirs with minimal tax and loss in value."

## **4. Associated Knowledge Areas**

<b>KA Code</b>	<b>Knowledge Area</b>
601	Economics of Agricultural Production and Farm Management
602	Business Management, Finance, and Taxation

## **V(H). Planned Program (External Factors)**

### **External factors which affected outcomes**

- Economy
- Public Policy changes
- Government Regulations

### **Brief Explanation**

Worldwide weather, political unrest, and economic challenges caused rapidly changing supply and demand conditions for all agricultural commodities. Just a few of

many examples include drought in the Black Sea region, political demonstrations in Africa, and a rapidly increasing middle class in China. The food versus fuel debate caused public policy debate in many countries including the U.S. Changes in U.S. public policy on estate tax provisions and the increasing age of agricultural producers were also important issues.

#### **V(I). Planned Program (Evaluation Studies and Data Collection)**

##### **1. Evaluation Studies Planned**

- After Only (post program)

#### **Evaluation Results**

#### **Key Items of Evaluation**