

**Team Members (Name and Title Only - 150 Words Maximum)**

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**Enter Title of Program (15 Words Maximum)**

Texas High Plains Risk Management Education

**What were the Major Issues Addressed (150 Words Maximum)**

The Texas High Plains constitutes a significant portion of state agricultural production, representing over \$9 billion in annual revenues. This region encompasses 80% of state fed cattle production, approximately 65% of state cotton acres, and over 50% of corn and feed grain income. Furthermore, based on the January 2012 Milk Market Administrator's Report, five of the top six Texas milk producing counties was located in the High Plains area. As agricultural risk management economists in this region, Jones and Yates continually strive to help producers manage their resources to become more profitable and competitive, thus maintaining long-term economic viability. Adequate analysis of the strategic decisions of production agriculture is at best complicated, especially in the context of a risky decision-making environment. Additionally, many producers lack the computational tools and expertise to fully assess their planning options. Making decisions based on limited information is not only financially hazardous, but also stressful.

**What were the resources that were involved in the project? (150 Words Maximum)**

Jones and Yates offer a wide variety of risk management tools to aid Texas High Plains producers in more effective decision making. The **Financial And Risk Management (FARM)** Assistance program was developed through Texas A&M University. It provides whole farm/ranch computerized decision support services to individual operations. Jones and Yates regularly preform FARM Assistance analyses, and speak at local meetings covering topics such as commodity marketing, conservation strategies, lease agreements, and agricultural policy updates. While conducting these educational activities, they realized a need existed to improve producer record keeping through computerized accounting. As a result, Jones and Yates

developed materials for a two-day short course on QuickBooks financial software. QuickBooks is a business accounting program that they adapted for agricultural use. Course material was designed to focus on the financial needs of farmers and ranchers, and provide a basic understanding of the program through case studies and hands-on examples.

### **Enter the Methods Used (300 Words Maximum)**

#### ***Face-to-Face Farm and Ranch Analysis***

- FARM Assistance, 2002 to present

#### ***Short Courses/Workshops:***

- QuickBooks Financial Software for Producers, 2002 to present
- QuickBooks Simple Start for Producers, 2008
- Crop Profitability/Marketing Workshops, 2006 to present

#### ***Educational Presentations (2002 to present):***

- Crop and Cattle Market Outlooks
- Farm Policy Education
- Crop Disaster and Insurance Programs
- Conservation Programs, Including Eco-Tourism
- Renegotiating Lease Agreements
- Various Farm and Ranch Management Topics

#### ***Educational Resources Developed***

- *Risk Management Toolkit for Farmers and Ranchers*, project funded by the Southern Risk Management Education Center to develop farm management apps for iPhone/iPad and teach producers to use the technology to improve profitability, 2012.
- *Supplemental Revenue Assistance (SURE) Payment Estimator*, spreadsheet to estimate SURE Payments for Texas producers, updated annually since 2008.
- *South Plains Cotton Update*, weekly 1.5 hour program aired on Fox Talk AM 950 and FM 100.7 Radio and Fox Channel 34.2 in the Lubbock area since 2005.
- *QuickBooks Financial Management Accounting Guide for Farmers and Ranchers*, updated annually since 2002.

#### ***Selected Educational Publications (Either Authored or Co-Authored by Jones and/or Yates):***

- *Does Irrigation Pay in the Worst Drought in Texas History? A Case Study*, 2012
- *Texas Panhandle Producers Face Tax Implications from Drought Related Losses*, 2012
- *Analyzing the Feasibility of Prairie Dog Hunting in the Northern Texas Panhandle*, 2011
- *Evaluating Pasture, Range, and Forage Insurance Options*, 2011
- *Regional Economic Impact of Irrigation Versus Dryland Agriculture in the Texas High Plains*, 2010
- *After the Conservation Reserve Program: Economic Decisions with Wildlife, Farming and Grazing in Mind*, 2008

- *Examining Share Lease Arrangements for Grain and Cotton Operations in the Texas Panhandle under Changing Market Conditions, 2008*
- *Comparison of Costs and Returns for Alternative Harvest Methods in the Texas High Plains, 2008*

**Enter the Results attained (300 Word Maximum)**

Since 2002, Jones and Yates have completed approximately 600 FARM Assistance reports for farmers and ranchers in over 60 Texas High Plains counties. Located in the heart of grain and cattle country, the majority of reports analyzed included corn, wheat, sorghum, cotton, and stocker cattle. However, many also evaluated cow-calf, meat goats, and dairy cattle in addition to numerous other crops such as peanuts, watermelons, onions, triticale, and grapes. These operations encompass more than 2 million acres with a combined ending real net worth of almost \$1 billion. Approximately 358 of the 600 reports also evaluated alternative courses of action, such as planting different crops, buying new land, increasing cattle numbers, etc. These alternative decisions were worth over \$250,000 of increased returns or cost savings per individual.

Jones and Yates have also conducted 22 QuickBooks trainings with 284 people attending since 2002. Over 84% of participants anticipated an economic benefit as a result of attending the classes, and 94% said they would recommend the course to a friend. Across all workshops, the average scores of participant satisfaction were [scale of 1 (lowest) to 5 (highest)]: **Q1.** Value of the material presented—4.64; **Q2.** Overall teaching—4.71; **Q3.** Teacher's knowledge of the material—4.76; **Q4.** Learned new information today—4.80; and **Q5.** Plan to use information learned today—4.54. Using a pre-test and post-test exam with program participants, there was a 79% increase in knowledge from these workshops. Follow up evaluations determined that each workshop graduate improved their profits by an average of \$2,100 each year, resulting in a total program impact of over \$500,000 annually.

**Enter a Summary Statement for Recognition Book (75 Words Maximum)**

Jones and Yates provide quality risk management education to the producers of the Texas High Plains, which is a major agricultural production region in the state. Their team contribution to Extension is considerable with an economic impact from educational efforts exceeding one half million dollars annually. Jones and Yates are still using the successful face-to-face model that represents the roots of Extension and modernizing it by using computers and software in their programming efforts.