

SYNOPSIS OF FFAT

**Approach of the
correspondence course
designed for farmers and
ranchers**



PENNSTATE



College of Agricultural Sciences

The five FFAT chapters focus on Finance Basics:

Chapters 1-3 provide a solid grasp of the (1) Balance Sheet; (2) the production-based Income Statement; and (3) the Cash Flow Budget. Upon completion, producers are expected to understand the key components and structure of each of these core financial statements. Next, in chapter (4) the basic approaches to Farm Financial Analysis are presented, including The Savvy Seven Finance Ratios that guide producer decisions to strengthen profit, liquidity, and solvency. The last chapter, (5) Fixing Broken Finances, presents the MOBILize Plan to resolve finance problems which threaten farm/ranch survival.

FFAT Philosophy is “Hands-on!”

The 300 page course format presents concise explanations, real-world examples, and exercises that flesh-out the basics of agricultural finance. Producers that spend 20-30 hours dedicated to FFAT develop an excellent grasp of the finance records and concepts needed to manage finance – as well as the ability to develop and present a sound loan plan to their lender.



Seven FFAT Positives!

1. The most straight-forward agricultural finance course – we have found!
2. Farm experience of FFAT leaders adds “meat” to course content
3. Excellent reviews for FFAT from more than 3000 producers
4. Producer videos from East, Midwest, South and West regions add relevance
5. Recent FSA loan officers have been trained on the FFAT lender version - puts producer and lender on “same FFAT page”
6. Practical FFAT charts of ratios and cash flows can be put to use monthly
7. Upon completion, an individualized evaluation is sent back to each producer!

Land Grant Dedication to Producers.

Penn State University is committed to assisting farmers/ranchers to meet the business challenges of the future. A key component of Penn State Outreach is FFAT, a unique course that has been improved each of the last 10 years, and will continue to provide a first-rate presentation of agriculture finance concepts and uses in years ahead.

FFAT – A Commitment to Farm/Ranch Financial Management!

- Grow expertise on key financial statements
- Fix finance problems with careful analysis and plans
- Improve farm/ranch planning with ratio benchmarks
- Better communicate your finance goals and needs to lenders