

Module 2: Assess Your Financial Situation and Build Your Team

Teaching Plan

Overview/Purpose

This module will enable participants to assess their current financial position and future needs and the position and needs of other parties to inform conversations about their farm/ranch transfer. It will help them estimate the value of the tangible and intangible assets being acquired or transferred and introduce business terms and financial statements and tools. Lastly, this unit will identify key professional service providers that can support incoming farmers and ranchers and exiting owners during the transfer process.

Prerequisites

Module 1: Introduction to Farm/Ranch Transfer

Completed SMART Goal worksheet from Module 1

Trainer Set-up Notes

WORKSHOP DELIVERY: This workshop can be adapted to a wide range of environments. While best delivered in person in a room with audio-visual set up and a computer, it can be adapted to be delivered virtually, indoors, outdoors, and with or without access to an internet connection.

ESTIMATED TOTAL TIME: 2 hours and 25 minutes of student learning (not including case studies)

WORKSHOP SET UP: Trainers should review the Training Manual, Resources Lists and other materials ahead of time and prepare either digital or printed copies of the student handouts. Further, review the Storyboard and customize the slides with images, videos and talking points meaningful to your audience. If you have involved other presenters, be sure to collect their photos and logos ahead of time so that you can create the welcome slide. If you would like to show a case study, review the case study videos and activity guide ahead of time to determine the best fit for your audience and topics covered.

WORKSHOP SUPPLIES AND EQUIPMENT:

- Module 2 Storyboard (to present on-screen or through printed notes) and any case studies you might use
- Group note-taking tools
- Computer for presenting the Storyboard
- Timer
- Student copies of:
 - Student Learning Plan
 - Student Resource List
 - SMART Goals Discussion Worksheet
 - Asset Inventory Information Sheet
 - Financial Asset Inventory Sheet
 - Sample Financial Statements
 - Budget Worksheet (word and/or excel)
 - Build Your Team Worksheet
 - Glossary of Business and Financial Terms
 - Financial Statements Quiz

What participants will learn

COMPETENCY: Assess your financial position and needs, and the position and needs of the other party.

LEARNING OBJECTIVES

1. Assign values to the assets included in the transfer.
2. Define key financial terms.
3. Identify common financial statements and learn how to use them.
4. Describe different kinds of advisors and what to look for when hiring them.

IMPORTANT ASSIGNMENTS

- Financial Asset Inventory Worksheet
- Budget Worksheet
- Schedule Office Hours with Instructor

Workshop Activities

	Learning Activity	Teaching Notes	Materials/Supplies
1.	LEARNING PLAN OVERVIEW Participate in introductory activities. Review information detailed in the Module 2 Student Learning Plan.	PRIOR TO CLASS MEETING Review Workshop Set-up Notes TIME: 5 minutes 1. Welcome participants, give a short presentation on what the training is about, acknowledging funders, and sharing the learning objectives. 3. Hand out and review the Module 2 Student Learning Plan	Module 2 Student Learning Plan

	Learning Activity	Teaching Notes	Materials/Supplies
2.	MOTIVATION ACTIVITY Participate in activity to practice expressing goals and listening to provide constructive feedback to your partner.	TIME: 15 minutes 1. Divide the class into pairs and hand out the SMART Goals Discussion Worksheet. Bring copies of the SMART Goal Information sheet and Worksheet in case participants forget to bring their homework. Explain that this activity will help them practice expressing their goals and listening. 2. Ask the first person to take three minutes to describe their role in their farm or ranch transfer, one SMART goal, and the assets they would like to acquire. 3. Direct their partner to take two minutes to reflect back what they heard and provide feedback on the first person's SMART goal. 4. Ask pairs to switch roles and repeat the exercise. 5. Bring the group back together and ask them to share observations.	SMART Goals Discussion Worksheet SMART Goals Information Sheet SMART Goals Worksheet Group note-taking tools
3.	COMPREHENSION ACTIVITY View a slide presentation and participate in a discussion about assets being transferred and how to estimate their value.	TIME: 15 minutes 1. Adapt "Part 1: Assess the Value of Assets Being Transferred" from the Module 2 storyboard. 2. Facilitate a discussion about different approaches to establish the value of assets.	Module 2 Storyboard
4.	PRACTICE ACTIVITY Complete the Asset Inventory worksheet. Once completed, share your results and observations with the group.	TIME: 20 minutes 1. Hand out the Financial Asset Information Sheet and Financial Asset Inventory Worksheet. 2. Give participants 10 minutes to review the information sheet and fill out as much information as possible on the worksheet. 3. After 10 minutes, ask individuals to share their reflections. Record key themes and questions.	Financial Asset Information Sheet Financial Asset Inventory Worksheet

	Learning Activity	Teaching Notes	Materials/Supplies
		Option: Invite an appraiser to provide information about typical values for land, buildings and equipment and facilitate question and answer session.	
5.	<p>COMPREHENSION ACTIVITY</p> <p>View a slide presentation and participate in a discussion about key financial statements and how to use them to evaluate your financial position and the position of the other party to inform the transfer.</p>	<p>TIME: 20 minutes</p> <ol style="list-style-type: none"> 1. Adapt “Part 2: Assess Your Financial Position and Needs” from the Module 2 storyboard. 2. Handout supporting materials: Sample Financial Statements, the Glossary of Business and Financial Terms and the Balance Sheet Worksheet, which they can start to fill out during the presentation. 3. Facilitate a discussion about how financial statements can be used by incoming producers and owners. Also identify key conversations that emerge from the financial assessment. 	<p>Module 2 Storyboard</p> <p>Sample Financial Statements</p> <p>Balance Sheet Worksheet</p> <p>Glossary of Business and Financial Terms</p>
6.	<p>PRACTICE ACTIVITY</p> <p>Work individually to build a budget that includes new income or expenses from the transfer. Use the Budget Worksheet and Template.</p>	<p>TIME: 20 minutes</p> <ol style="list-style-type: none"> 1. Hand out the Budget Worksheet and give participants 10 minutes to fill out as much information as possible in the Budget Template. 2. After 10 minutes, ask individuals to share their reflections. Record key themes and questions on a flip chart or whiteboard. <p>Option: Give a pop quiz on key financial statements using the Financial Statements Quiz.</p> <p>Option: Invite a financial planner to provide information about building a budget to represent future needs and facilitate a question-and-answer session.</p>	<p>Budget Worksheet</p> <p>Group note-taking tools</p>

	Learning Activity	Teaching Notes	Materials/Supplies
7.	<p>COMPREHENSION ACTIVITY</p> <p>View the slide presentation and participate in a discussion about key professional advisors.</p>	<p>TIME: 10 minutes</p> <p>1. Adapt “Part 3: Identify and Build your Team” from the Module 3 storyboard.</p> <p>2. Facilitate a discussion about how professional advisors can support incoming producers and owners. Also identify key conversations that emerge from the financial assessment.</p>	Module 2 Storyboard
8.	<p>PRACTICE ACTIVITY</p> <p>Work with a partner or small group to complete the Build Your Team worksheet</p> <p>Share the groups questions and conclusions with the class.</p>	<p>TIME: 20 minutes</p> <p>1. Divide the class into small groups. Have participants spend 5 minutes answering the questions on the Build Your Team Worksheet. Then, ask participants to spend the remaining time crowd-sourcing professional contacts and/or resources to use to identify professional advisors.</p> <p>2. Have each group share their ideas and questions. Record key concepts and questions on a flip chart or white board.</p> <p>Option: Invite professionals to come and talk about considerations for selecting and hiring professionals.</p>	<p>Build Your Team Worksheet</p> <p>Group note-taking tools</p>
9.	<p>APPLICATION ACTIVITY</p> <p>Finalize your Financial Asset Inventory Worksheet, Balance Sheet, and Budget Worksheet. Share your work with a partner and make revisions based on feedback. Submit your work to your instructor for feedback.</p>	<p>TIME: 20 minutes</p> <p>1. Have participants work with a partner to assess their work. Provide additional feedback as needed.</p> <p>2. Finally, distribute the student resource list if you haven’t already.</p>	<p>Financial Assets</p> <p>Inventory Worksheet</p> <p>Budget Worksheet</p> <p>Build Your Team Worksheet</p> <p>Student Resource List</p>