

Transitioning Land to *Organic?* Newly *Certified?*

Scholarships Available to Minnesota Crop and Dairy Producers

For cropland and pasture, the transition from conventional to certified organic practices is a three-year process. Effective financial management during this time is important for short and long-term farm prosperity. However, there is very little “real world” information available about the financial performance and profitability of farms during transition.

If you are a row crop or dairy farmer transitioning land to organic or has any land certified fewer than three years, we invite you to participate in the “Tools for Transition Farm Business Management Project.” You will:

- Work 1:1 with a Farm Business Management (FBM) instructor.
- Receive a scholarship worth up to 90% of FBM tuition cost.
- Meet in small groups and one-on-one with a farm business management instructor to develop accurate business records, financial statements for your farm (eg. cash flows, projected profitability statements, balance sheets, and risk analysis), and annual farm business analyses.
- Use these records to monitor your financial performance during transition, map progress toward your personal goals, and, most importantly, **make informed business decisions for your own operation.**



By joining this unique project, you can become part of a research effort investigating the economics of organic transition. Financial data from your farm business will always be privacy protected. To ensure confidentiality, economists at the University of Minnesota will average data from your farm and others (so no individual farm can be identified) as they identify financial challenges and farm business opportunities for transitioning farmers.

AM I ELIGIBLE TO RECEIVE A SCHOLARSHIP?

Are you a:

- Dairy and/or crop farmer who is beginning or currently in the process of organic transition on **any land that you farm?** (*Previous participation in FBM does NOT disqualify you from this opportunity.*)
- Dairy and/or crop farmer who has any land that has been **certified organic for fewer than three years?**

Note: *You must enroll in the FBM education program and agree to share your farm data in order to participate.*



HOW MUCH ARE THE SCHOLARSHIPS?

Scholarships equal up to 90% of the FBM tuition cost. Scholarships will be offered for up to three years to farmers who are in transition. For “newly certified” farmers (certified fewer than three years), scholarships will be offered on a sliding scale as follows:

- 80% during your first year of participation
- 70% during your second year, and
- 60% during your third year.

Participants pay the remainder of the tuition fees. For example, if FBM tuition is \$1,500/year, a farmer who is in transition will receive a scholarship equal to \$1,350 and will be responsible for paying the remaining \$150 annually.

HOW DOES THE FBM PROGRAM WORK?

In Minnesota, the FBM program is offered by the Minnesota State Colleges and Universities (MnSCU) system and the Southwest Farm Business Management Association. There are more than 70 instructors conveniently located throughout Minnesota. As a student in the program, you will meet individually or in small groups a FBM instructor. **The instructor will tailor an education program that meets your own farm’s business management needs.**

At the end of the year, you will receive a whole farm analysis and enterprise analyses that detail the financial performance of your farm business. Your financial results will be privacy-protected and included in FINBIN, an online benchmarking tool from University of Minnesota’s Center for Farm Financial Management. More than 125 certified organic farmers in Minnesota have already participated in the FBM education program. To see their financial results, visit the Minnesota Department of Agriculture (MDA) website and look for “Organic Farm Performance in Minnesota” reports at: www.mda.state.mn.us/fbm.

In addition, the program will offer you other opportunities:

- Financial workshops
- Minnesota Organic Conference discounts
- Business planning assistance
- The chance to share your story in order to help other farmers

HOW DO I SIGN UP?

Contact Meg Moynihan at the MDA. She will ask a couple of couple of questions to ensure that you qualify for participating in the project. If you qualify, Meg will put you in touch with an instructor (if you don’t already have one). The instructor will take care of the rest! Scholarships will be awarded until the funding is exhausted.

Meg Moynihan, 651-201-6616 or meg.moynihan@state.mn.us

This project is funded by the USDA National Institute of Food and Agriculture’s Organic Agriculture Research and Extension Initiative and is administered in partnership by the following:



UNIVERSITY OF MINNESOTA



Minnesota
STATE COLLEGES
& UNIVERSITIES



MINNESOTA DEPARTMENT
OF AGRICULTURE

