

NAAFP Farm Bill Decision Aid

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National Association for Agriculture and Food Policy
(NAAFP)

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NAAFP Decision Aid

- National Association of Agriculture and Policy (NAAFP) has been working on the decision aid for more about 2 years. NAAFP is led by
 - AFPC at Texas A&M
 - FAPRI at University of Missouri-Columbia
- Applied for and received funding from USDA-FSA to develop a nation-wide decision aid
- Available at: <https://USDA.afpc.tamu.edu>
- And at: www.afpc.tamu.edu



Overview of NAAFP Farm Bill Decision Aid

- Register as a producer or a multi-client user
 - Email address and password protect your data
 - Email address allows us to contact user when FSA changes rules and when new price projections are available
- Enter data for all of the farmer's FSA Numbers
 - All Crops and their Practices by Type
 - Types not critical to FSA but important to RMA for SCO, STAX, and Insurance Decisions
- Types of Analyses
 - Yield update
 - Base reallocation
 - ARC-IC, ARC-CO, PLC, SCO
 - STAX and SCO for cotton
 - Insurance options (Y, RP, RP-HPE, CAT, None)



Overview of NAAFP Farm Bill Decision Aid

- Producers' data are stored in the decision aid
 - Data accessed by a user name and password
 - Secured behind Texas A&M firewall, along with student grades and records
- Producers can enter their data, run for alternative prices as updated by FAPRI monthly
 - Yield Update Decision
 - Next analyze the interaction between Base Reallocation and PLC and ARC-CO Election
 - Before final election, farmers can re-run the analysis for March price outlook
 - Run Insurance Analysis annually for next 5 years



Information Needed for the NAAFP Decision Aid

- Information available from two primary sources
 - FSA Reported Commodity Crop History Summary (letter from FSA to producers, August 2014)
 - FSA farm number
 - Base Acres and CCP Yield for covered crops
 - Crop Insurance Actual Production Report
 - Historical yields and planted acres
 - Ten years of yields preferred but 2008-2013 is essential



NAAFP Information Sheet

Crop Information Worksheet for an Iowa Cash Grain Farm

FSA Number	1	1
Crop Name	CORN	SOYBEAN
CC Payment Yield*	154	47.3
Base Acres*	880	470
APH Yield	210	52
Harvest Time Basis	-0.10	0.0

Current Insurance

Y, RP, RP-HPE**

Revenue Protection

Revenue Protection

Coverage Level

80%

80%

Enterprise/Optional

Optional

Optional

Planted Acres in

2014

880

470

2015

880

470

2016

880

470

2017

880

470

2018

880

470

Historical Data***

2003

Yield
179.1

Plt Acre+
750

PP Acre+

Yield
43.1

Plt Acre+
600

PP Acre+

2004

152.5

600

49.8

750

2005

171.1

750

35.2

600

2006

191.3

800

47.9

550

2007

188.7

700

50.8

650

2008

172.4

800

49.0

550

2009

180.9

550

51.0

800

2010

163.4

800

46.9

500

2011

176.1

750

46.5

600

2012

152.5

750

43.1

600

2013

167.2

880

45.4

470

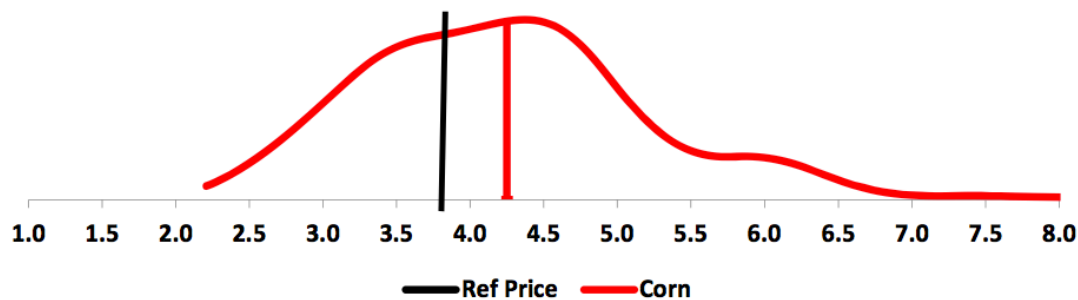


Price Loss Coverage (PLC) Payment and Price Risk

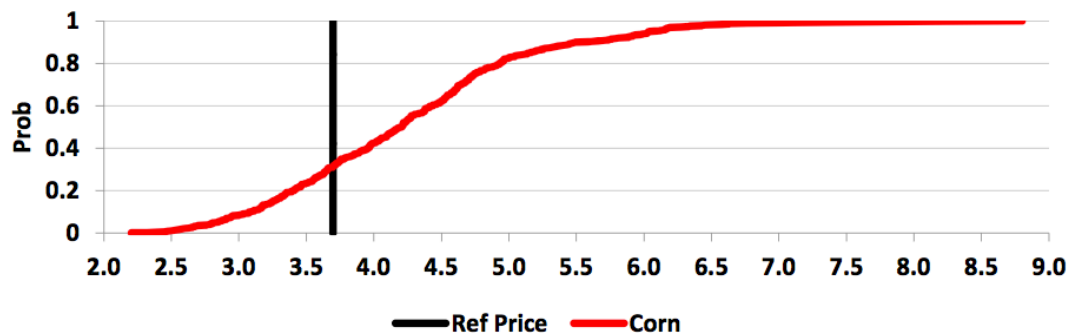
	Corn	
MYA	4.25	FAPRI
Ref Price	3.70	
Average PLC Rate	0.49	

3.5

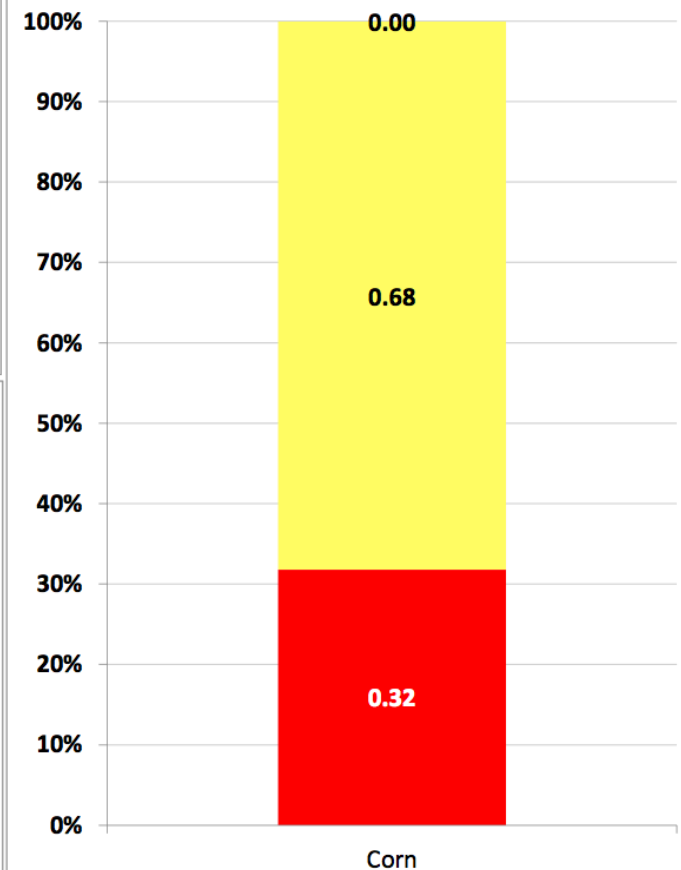
Corn Price Risk with an Average Price of \$4.25/bu



Corn Price Risk with an Average Price of \$4.25/bu

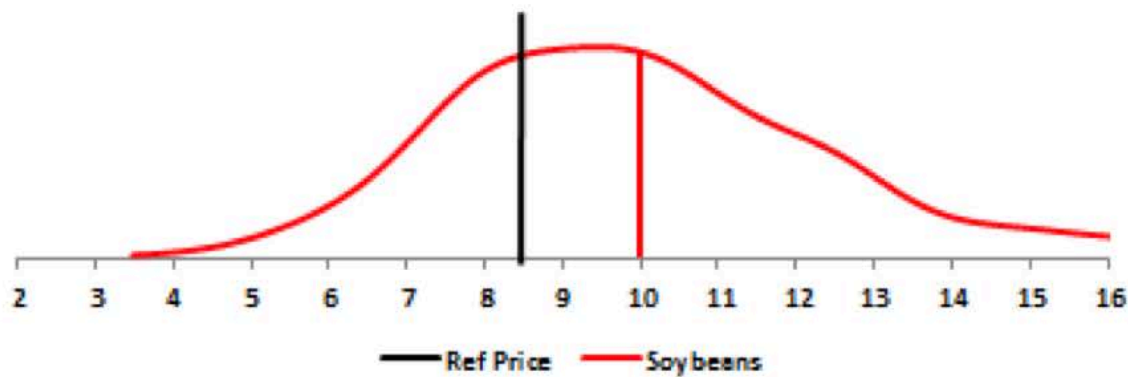


Probability Corn Price Less Than Reference Price \$3.70

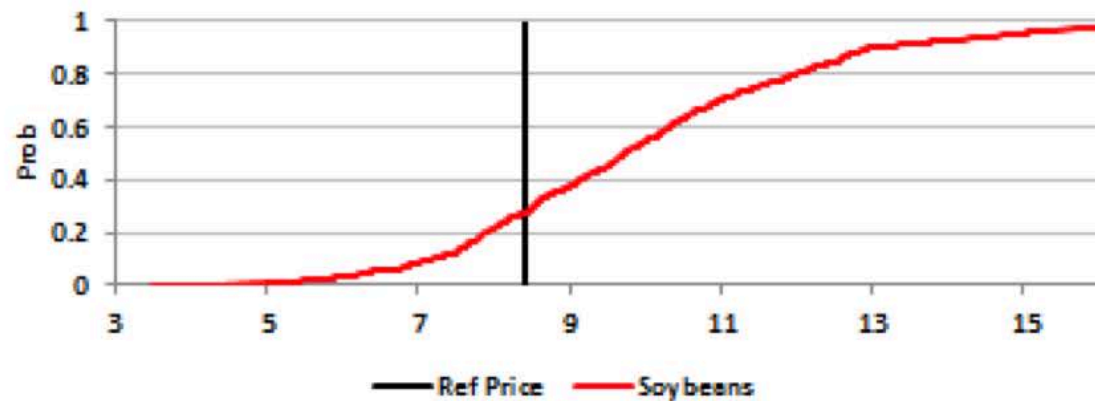


	Soybeans		
Avg Price	10.00	FAPRI	9.92
Ref Price	8.4		

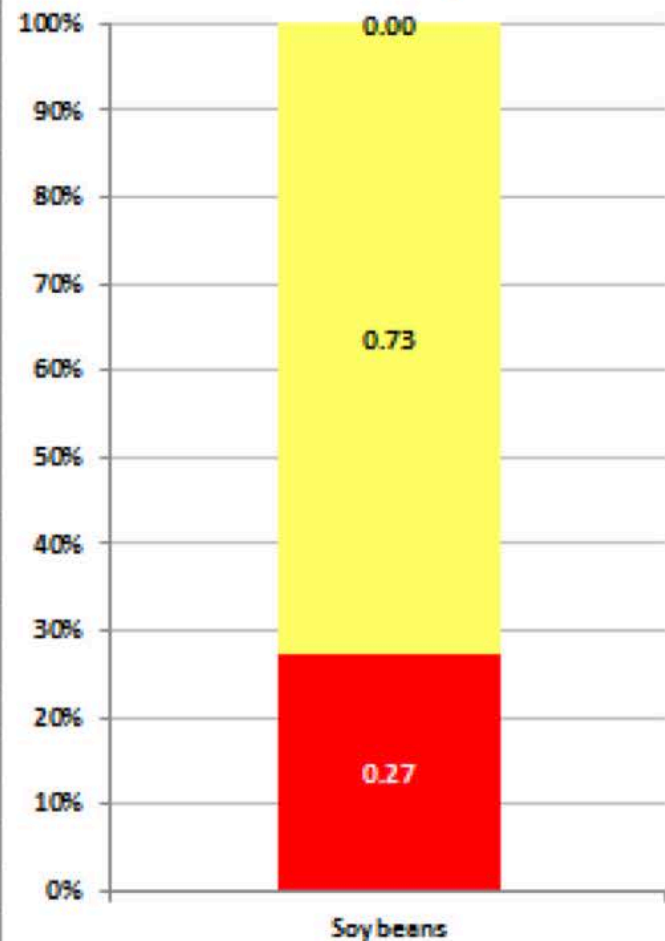
Soybean Price Risk with an Average Price of \$10/bu



Soybean Price Risk with an Average Price of \$10/bu

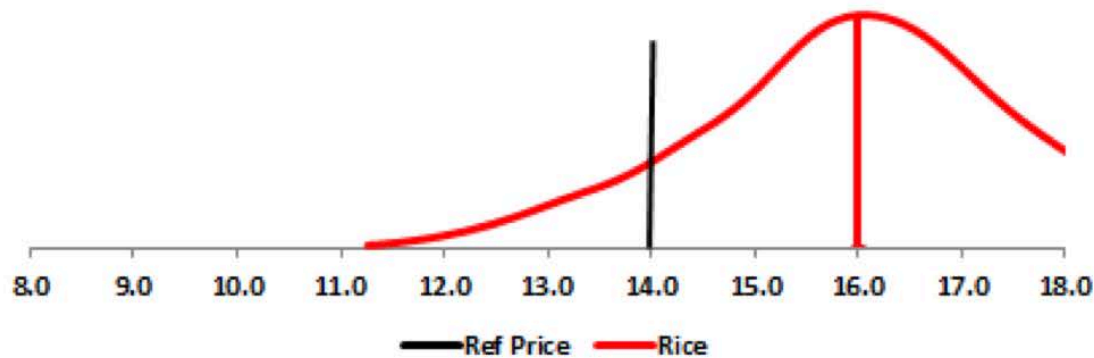


Probability of Soybean Price Less Than Reference Price \$8.40

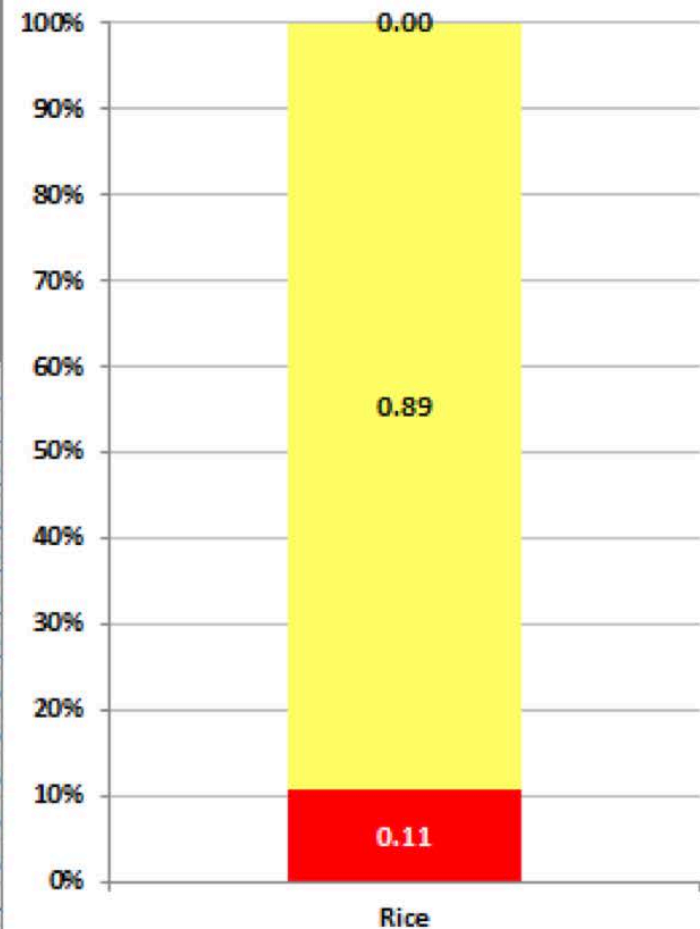


	Rice		
Avg Price	16.00	Rice	14.31
Ref Price	14.00		

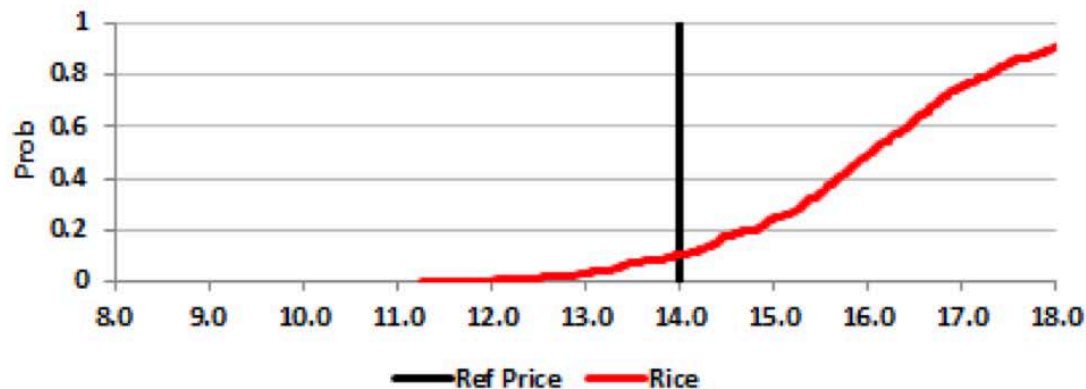
Rice Price Risk with an Average Price of \$9.92/bu



Probability Rice Price Less Than Reference Price \$14.00



Rice Price Risk with an Average Price of \$9.92/bu



Accessibility and Training

- Accessible by smart phones, tablets, iPads, anything that can access the internet
- Helpdesk 7am to 7pm weekdays @ 844-229-7373
- **Five Regional Training Meetings**
 - NAAFP Sponsored Meetings
 - Atlanta October 27th
 - Salt Lake City Nov 10th
 - Salt Lake City Nov 11th hands on for NAAFP decision aid
 - University of Illinois Sponsored Meetings
 - Indianapolis November 17th
 - Omaha December 10th



Summary

- Decision Aid available on AFPC website
 - More than 6,000 users
- Features all 21 covered commodities in all states
- Can Expect the following enhancements
 - Full Insurance Analyzer next week
 - STAX and SCO for cotton shortly
 - Generic base analyzer
 - Monthly updates of price projections by FAPRI
 - USDA price projection updates as available
 - Tool will be updated as FSA revises rules
 - Users will be notified by their email addresses



Summary

- Evaluation for this meeting
- You will receive an email with the URL below
- Please click the URL and fill out the evaluation form
- It will only take 2 minutes
- Here is the link
https://docs.google.com/forms/d/1_CQ_Vu1JnRnR6vgJQUzUr4TYFqkGTMKgouEqdhFP3wc/viewform



Questions??

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Visit our Website
WWW.AFPC.TAMU.EDU

for Podcasts on the
farm program and
the Decision Aid



First Step Is to Register



Welcome to the *USDA/NAAFP Decision Aids*. Although the look and feel have changed, all your data are still available from the previous site. If you are new to the site, you can start by [Registering](#)

Login

Email Address 

Password 

[Forgot Password?](#)

Login

Register

Welcome to the [NAAFP](#) Decision Aids. This suite of integrated tools can help you make the choices required for participation in 2014 Farm Bill and for choices available under crop insurance.

To get started, you'll need to

Register

Terms and Disclaimer

This software is intended for educational use. It was developed solely to provide information so producers could better understand the economic implications of their choices under the 2014 Farm Bill. The Decision Aids use the most current NASS, FSA, and RMA information, and these values will be updated from time to time. The Decision Aid answers may differ from those of USDA agencies and insurance providers.



Producer vs. Multi Client User

Create an Account

[Help!](#)

Terms and Disclaimer

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By checking "I understand and agree", you acknowledge that projected outcomes generated by the software are for demonstration purposes, are not forecasts of future outcomes, and do not guarantee any future outcomes or results.

Your Name



James Richardson Demo

Email Address



jamesdemo@test.com

Password



.....

Confirm Password

.....

Account Type



Producer/Farmer



Multi-client User

Terms and Disclaimer



I understand and agree to the terms and disclaimer.

[Next](#)


- Usda.afpc.tamu.edu
- atlantademofarm@test.com
- demofarm

Create Client Records & Switch Clients

Welcome! You have signed up successfully.



Your Clients

Name	Email	Farm Units	
(Yourself)		0	

A Multi-client user manages multiple accounts, called clients. To get started, you must first create a client. When you *Switch to User*, you become that user and all actions you take (such as creating farm units or running decision aid tools) occur as that user.

You can create as many clients as you want. Each client's data is separate. The client can later enter their own password to access the account.

 Create a Client



Farm with Two Crops and One FSA Number

Create Client Account

Client Name



Farmer 1234

Email Address



farmer123@test.com

Next





Farm with Two Crops and One FSA Number

Account created.



Your Clients

Name	Email	Farm Units	
(Yourself)		0	
Farmer 1234	farmer123@test.com	0	

A Multi-client user manages multiple accounts, called clients. To get started, you must first create a client. When you *Switch to User*, you become that user and all actions you take (such as creating farm units or running decision aid tools) occur as that user.

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Farmer 1234's Farm Units

FSA #	Farm Name	Crop Practice	
-------	-----------	---------------	--

+ New Farm Unit

Available Tools

Help!

Yield Update

This tool calculates values for PLC yields using yield histories for your units listed on the left.

Base Acre Reallocation & PLC/ARC Decision Aid

This tool helps you decide whether to reallocate your base acres and whether to choose PLC, ARC-C, or ARC-I for each farm unit based on your data.



Edit Farm Unit

[Help!](#)

Create one farm unit for each unique FSA number - crop - practice combination on your farming operation. To utilize the crop insurance tools, separate tracks or insurance units within a single FSA number.

Farm Name [?]	Description [?]
<input type="text" value="Home Place"/>	<input type="text" value="Farmer 1234 home farm"/>
FSA # [?]	Crop [?]
<input type="text" value="1234"/>	<input type="text" value="Corn"/>
Administrative State [?]	Type [?]
<input type="text" value="Georgia"/>	<input type="text" value="Grain Corn"/>
Administrative County [?]	Practice [?]
<input type="text" value="Bacon"/>	<input type="text" value="Irrigated"/>

Yields & Base

Counter Cyclical Yield [?]

<input type="text" value="156.00"/>	bu/ac
-------------------------------------	-------

2013 Base Acres [?]

<input type="text" value="140.00"/>

Basis

Harvest Time Basis [?]

<input type="text" value="-0.12"/>	\$/bu
------------------------------------	-------

Crop Insurance

APH Yield [?]

<input type="text" value="166.00"/>	bu/ac
-------------------------------------	-------

2014 Insurance Policy

Policy [?]

<input type="text" value="Revenue Protection"/>

Coverage [?]

<input type="text" value="70%"/>

Unit Structure [?]

<input type="text" value="Optional"/>

Future Acres [?]

2014

<input type="text" value="140.0"/>

2015

<input type="text" value="140.0"/>

2016

<input type="text" value="140.0"/>

2017

<input type="text" value="140.0"/>

2018

<input type="text" value="140.0"/>

[Delete](#)[Yields](#)[Save](#)

Historical Yields for Home Place Corn Irrigated FSA #1234

Help!

Year	Actual Yield / Planted Acre	Planted Acres	Prevented Planted Acres	
2004	124.0	120.0	0.0	<div>Delete</div>
2006	170.0	120.0	0.0	<div>Delete</div>
2007	160.0	120.0	0.0	<div>Delete</div>
2008	140.0	120.0	0.0	<div>Delete</div>
2010	175.0	120.0	0.0	<div>Delete</div>
2011	155.0	120.0	0.0	<div>Delete</div>
2012	165.0	120.0	0.0	<div>Delete</div>
2013	185.0	120.0	0.0	<div>Delete</div>
<div></div>	<div></div>	<div></div>	<div></div>	<div>Add Farm Yield</div>

Done Entering Yields

Yield Update Analyzer

[Home](#) [Clients](#)

Farmer 1234's Farm Units

FSA #	Farm Name	Crop Practice	
1234	Home Place	Grain Corn Irrigated	Edit Yields

[+ New Farm Unit](#)

Available Tools

[Help!](#)

Yield Update

This tool calculates values for PLC yields using yield histories for your units listed on the left.

Base Acre Reallocation & PLC/ARC Decision Aid



Edit Farm Unit

[Help!](#)

Create one farm unit for each unique FSA number - crop - practice combination on your farming operation. To utilize the crop insurance tools, separate tracks or insurance units within a single FSA number.

Farm Name	Description
Home Place	Farmer 1234 home farm
FSA #	Crop
1234	Corn
Administrative State	Type
Georgia	Grain Corn
Administrative County	Practice
Bacon	Irrigated

Yields & Base

Counter Cyclical Yield

121.00 bu/ac

2013 Base Acres

140.00

Basis

Harvest Time Basis

-0.12 \$/bu

Crop Insurance

APH Yield

166.00 bu/ac

2014 Insurance Policy

Policy

Revenue Protection

Coverage

70%

Unit Structure

Optional

Future Acres

2014

140.0

2015

140.0

2016

140.0

2017

140.0

2018

140.0

[Delete](#)[Yields](#)[Save](#)

Yield Update Analyzer

Verify Your Data

[Help!](#)

Your 2013 CC yields and actual yields per planted acre for 2008 through 2012 for your state-FSA#-crop-practice combinations are presented below. It is important that these data are correct. Please verify the data below, so yield update calculations are correct.

FSA# 1234

Crop	Farm	2013 CC Yield	2008	2009	2010	2011	2012
Grain Corn	Home Place	121.0	140.0		175.0	155.0	165.0
Soybeans	Home Place	25.0	45.0	68.0	48.0	59.0	78.0

Information is correct



Yield Update Analyzer

Yield Update Decision Aid

[Help!](#)

The Decision Aid has calculated the PLC payment yield given the historical yields provided for each crop. Throughout the rest of the Decision Aid, PLC payments will be calculated assuming the higher of the two yields.

Georgia FSA# 1234
Grain Corn

2013 CC Yield	121
PLC Yield can be updated to	143

Georgia FSA# 1234
Soybeans

2013 CC Yield	25
PLC Yield can be updated to	54



Base Acre Reallocation & ARC/PLC Analyzer

[Home](#) [Clients](#)

Farmer 1234's Farm Units

FSA #	Farm Name	Crop Practice	
1234	Home Place	Grain Corn Irrigated	Edit Yields

[+ New Farm Unit](#)

Available Tools

[Help!](#)

Yield Update

This tool calculates values for PLC yields using yield histories for your units listed on the left.

Base Acre Reallocation & PLC/ARC Decision Aid



Your Data

Your current base acres, planted acres history, and prevented planting history for 2009 through 2012 are presented below. It is vital that this information is correct and complete, or the reallocated base acres will not be calculated correctly.

Georgia FSA # 1234

Planted Acres History

	2009	2010	2011	2012
Grain Corn	0.0	120.0	120.0	120.0
Soybeans	80.0	40.0	80.0	80.0

Prevented Planting History

	2009	2010	2011	2012
Grain Corn	0.0	0.0	0.0	0.0
Soybeans	0.0	40.0	0.0	0.0

Base Acres

	Current Base	Potential Reallocated Base
Grain Corn	140	127
Soybeans	100	113

Verify Data

It is vital that the Current Base Acres and Planting History above is correct and complete, or the reallocated base acres will not be calculated correctly, and the analysis will be invalid.

Information is correct



Your Price Outlook

[Help!](#)

Please enter the expected annual commodity prices that you want to use in your analysis. You must complete all spaces in the form below before you can proceed. FAPRI and USDA price projections are provided for your convenience.

Grain Corn

	FAPRI	USDA	in \$/bu
2014	3.4000	3.4000	<input type="text" value="3.4000"/>
2015	3.7400	3.6800	<input type="text" value="3.7400"/>
2016	3.9800	3.3800	<input type="text" value="3.9800"/>
2017	4.1900	3.4700	<input type="text" value="4.1900"/>
2018	4.2000	3.5300	<input type="text" value="4.2000"/>

Soybeans

	FAPRI	USDA	in \$/bu
2014	9.9500	10.0000	<input type="text" value="9.9500"/>
2015	8.9300	8.6600	<input type="text" value="8.9300"/>
2016	9.5500	9.0000	<input type="text" value="9.5500"/>
2017	10.2600	8.9700	<input type="text" value="10.2600"/>
2018	10.5000	9.1900	<input type="text" value="10.5000"/>

FAPRI Prices provided as of 2014-10
USDA Prices provided as of 2014-10

[Analyze Program Options](#)

User Data

Price Outlook You Specified For This Analysis

Crop	2014	2015	2016	2017	2018
Grain Corn (\$/bu)	3.4	3.74	3.98	4.19	4.2
Soybeans (\$/bu)	9.95	8.93	9.55	10.26	10.5

National Price & County Yield Data

Historical data from USDA sources used to generate results for your analysis.

	2009	2010	2011	2012	2013
County Yields					
Irrigated Grain corn in Bacon, Georgia (bu/ac)	99	127	136	161	186
Soybeans in Bacon, Georgia (bu/ac)	33	16	33	27	35
National Prices					
Grain Corn (\$/bu)	3.5500	5.1800	6.2200	6.8900	4.4600
Soybeans (\$/bu)	9.5900	11.3000	12.5000	14.4000	13.0000



Analysis Output

Farm-by-Farm Choices ?

FSA # 1234 ?

Base Reallocation

Same Choice for All Crops

Per Crop Analysis

Base Reallocation Considerations

Need help interpreting this information? Try our [YouTube video](#)

Total Average Payments or Expected Net Indemnity for 2014 - 2018 by Farm Program Option ?

		ARC-CO		PLC		PLC + SCO	
Crop	Reallocate Base	Yes	No	Yes	No	Yes	No
Irrigated Grain Corn		\$18,788	\$20,701	\$20,121	\$22,170	\$25,060	\$27,110
Soybeans		\$10,412	\$9,219	\$5,535	\$4,901	\$8,253	\$7,619

Combinations of ARC-CO, PLC, and PLC+SCO to Maximize Average Total Payments for the Farm ?

		Reallocate Base		No Reallocation	
Crop		Program	Avg Payment	Program	Avg Payment
Irrigated Grain Corn		PLC + SCO	\$25,060	PLC + SCO	\$27,110
Soybeans		ARC-CO	\$10,412	ARC-CO	\$9,219
Total			\$35,472	Total	\$36,328

Analysis Output

Farm-by-Farm Choices ?

FSA # 1234 ?

Base Reallocation

Same Choice for All Crops

Per Crop Analysis

The following table shows expected payments or net indemnities if you make the same choices across all crops in FSA # 1234

FSA Program	Reallocate Base	2014	2015	2016	2017	2018	Sum	
ARC-IC	N/A							Show Details
Expected Payment		\$8,929	\$8,233	\$5,891	\$2,985	\$1,930	\$27,969	
ARC-CO	Yes	\$8,935	\$8,605	\$7,046	\$2,836	\$1,778	\$29,199	
ARC-CO	No	\$9,215	\$8,875	\$7,191	\$2,842	\$1,797	\$29,920	
PLC ⚠	Yes	\$8,317	\$6,905	\$4,549	\$3,047	\$2,838	\$25,656	
PLC ⚠	No	\$8,973	\$7,132	\$4,741	\$3,209	\$3,015	\$27,071	
SCO Expected Net Indemnity	N/A	\$0	\$1,767	\$1,881	\$1,996	\$2,014	\$7,657	
PLC + SCO	Yes	\$8,317	\$8,672	\$6,430	\$5,043	\$4,852	\$33,313	
PLC + SCO	No	\$8,973	\$8,899	\$6,622	\$5,205	\$5,029	\$34,729	



Analysis Output

Farm-by-Farm Choices ?

FSA # 1234 ?

Base Reallocation

Same Choice for All Crops

Per Crop Analysis

Irrigated Grain Corn

Soybeans

Irrigated Grain Corn

FSA Program	Reallocate Base	2014	2015	2016	2017	2018	Sum
ARC-CO	Yes						Show Details
Expected Payment		\$6,023	\$5,803	\$4,400	\$1,530	\$1,031	\$18,788
ARC-CO	No						Show Details
Expected Payment		\$6,637	\$6,394	\$4,848	\$1,685	\$1,136	\$20,701
PLC	Yes						Show Details
Expected Payment ⚠		\$7,436	\$4,707	\$3,296	\$2,364	\$2,318	\$20,121
PLC	No						Show Details
Expected Payment ⚠		\$8,193	\$5,186	\$3,632	\$2,605	\$2,554	\$22,170
SCO	N/A						
Expected Net Indemnity		\$0	\$1,148	\$1,219	\$1,285	\$1,287	\$4,939
PLC + SCO	Yes						
Expected Payment + Net Indemnity		\$7,436	\$5,855	\$4,516	\$3,649	\$3,605	\$25,060



Analysis Output

Farm-by-Farm Choices ?

FSA # 1234 ?

Base Reallocation



Same Choice for All Crops

Per Crop Analysis

Irrigated Grain Corn

Soybeans

Soybeans

FSA Program	Reallocate Base	2014	2015	2016	2017	2018	Sum
ARC-CO	Yes	Show Details					
Expected Payment		\$2,911	\$2,801	\$2,646	\$1,306	\$747	\$10,412
ARC-CO	No	Show Details					
Expected Payment		\$2,578	\$2,480	\$2,343	\$1,156	\$661	\$9,219
PLC	Yes	Show Details					
Expected Payment 		\$881	\$2,198	\$1,253	\$683	\$520	\$5,535
PLC	No	Show Details					
Expected Payment 		\$780	\$1,946	\$1,109	\$605	\$461	\$4,901
SCO	N/A						
Expected Net Indemnity		\$0	\$619	\$661	\$710	\$727	\$2,718
PLC + SCO	Yes						
Expected Net Indemnity		\$881	\$2,817	\$1,914	\$1,393	\$1,247	\$8,253

fsa#fsa_crop_1234_1



Crop Insurance Interaction with Base Reallocation, PLC, and ARC

Annual Insurance Decision Aid

This tool characterizes the probabilities of realizing many levels of net revenue given the many choices you might make. Here, net revenue includes your market receipts plus crop insurance and shallow loss indemnities, minus crop insurance and shallow loss premiums, plus any FSA program payments. Choices that can be evaluated are

- Crop insurance policy type (**Yield Protection (YP)** ⓘ, **Revenue Protection (RP)** ⓘ, or **Revenue Protection with Harvest Price Exclusion (RP-HPE)** ⓘ)
- Crop insurance unit structure (optional or enterprise)
- Crop insurance coverage level
- Yield trend-adjustment option
- Shallow loss option (**SCO** ⓘ for most crops, SCO or **STAX** ⓘ for upland cotton)
- FSA program choice (**PLC** ⓘ or **ARC** ⓘ)

This tool relies on previously-entered data about your RMA units for each state-county-crop-practice combination. If you have not yet entered data, create a farm unit from the [home screen](#).

Get Started



Crops on the Farm Eligible for Insurance

Annual Insurance Decision Aid

Select a Crop

Your data reflect the following state-county-crop-practice combinations. Please choose the combination you wish to use for the analysis.

- Irrigated Grain Corn in Bacon County, GA
- Non-Irrigated Soybeans in Bacon County, GA



Your Data for Irrigated Grain Corn in Bacon County, GA

For the state-county-crop-practice combination you just chose, your data contain the units listed below. These units will be both individually and jointly analyzed, for evaluating optional and enterprise unit structure crop insurance elections.

FSA #	Unit Name	CC Yield	APH
1234	Home Place	121	166.0000

Projected Prices

For Grain Corn, RMA sets a 2014 projected price of 4.4900 dollars per bushel. If you would like to use a different projected price for the analysis, enter your price below.

Projected Price

Your Price Outlook

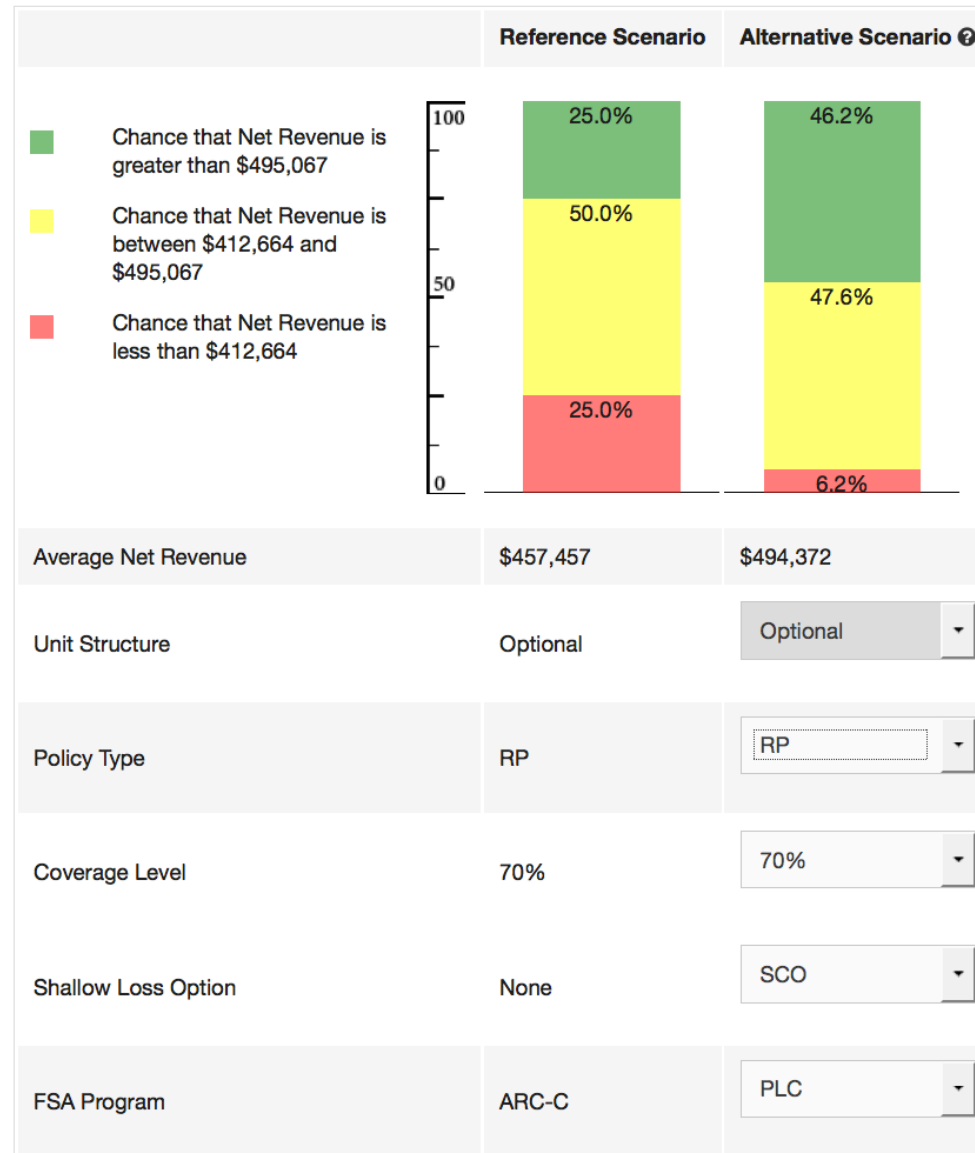
Specify your outlook for national marketing year average prices for Grain Corn in dollars per bushel

Grain Corn				
	FAPRI	USDA	in \$/bu	
2014	3.4000	3.4000	<input type="text" value="3.4000"/>	
2015	3.7400	3.6800	<input type="text" value="3.7400"/>	
2016	3.9800	3.3800	<input type="text" value="3.9800"/>	
2017	4.1900	3.4700	<input type="text" value="4.1900"/>	
2018	4.2000	3.5300	<input type="text" value="4.2000"/>	



Results ?

The chart below characterizes the probabilities of realizing various levels of net revenue for market receipts plus crop insurance and shallow loss (SCO) indemnities, minus crop insurance FSA program (PLC or ARC) payments.



Results ?

The chart below characterizes the probabilities of realizing various levels of net revenue f market receipts plus crop insurance and shallow loss (SCO) indemnities, minus crop insu FSA program (PLC or ARC) payments.



Results ?

The chart below characterizes the probabilities of realizing various levels of net revenue from market receipts plus crop insurance and shallow loss (SCO) indemnities, minus crop insurance program (PLC or ARC) payments.



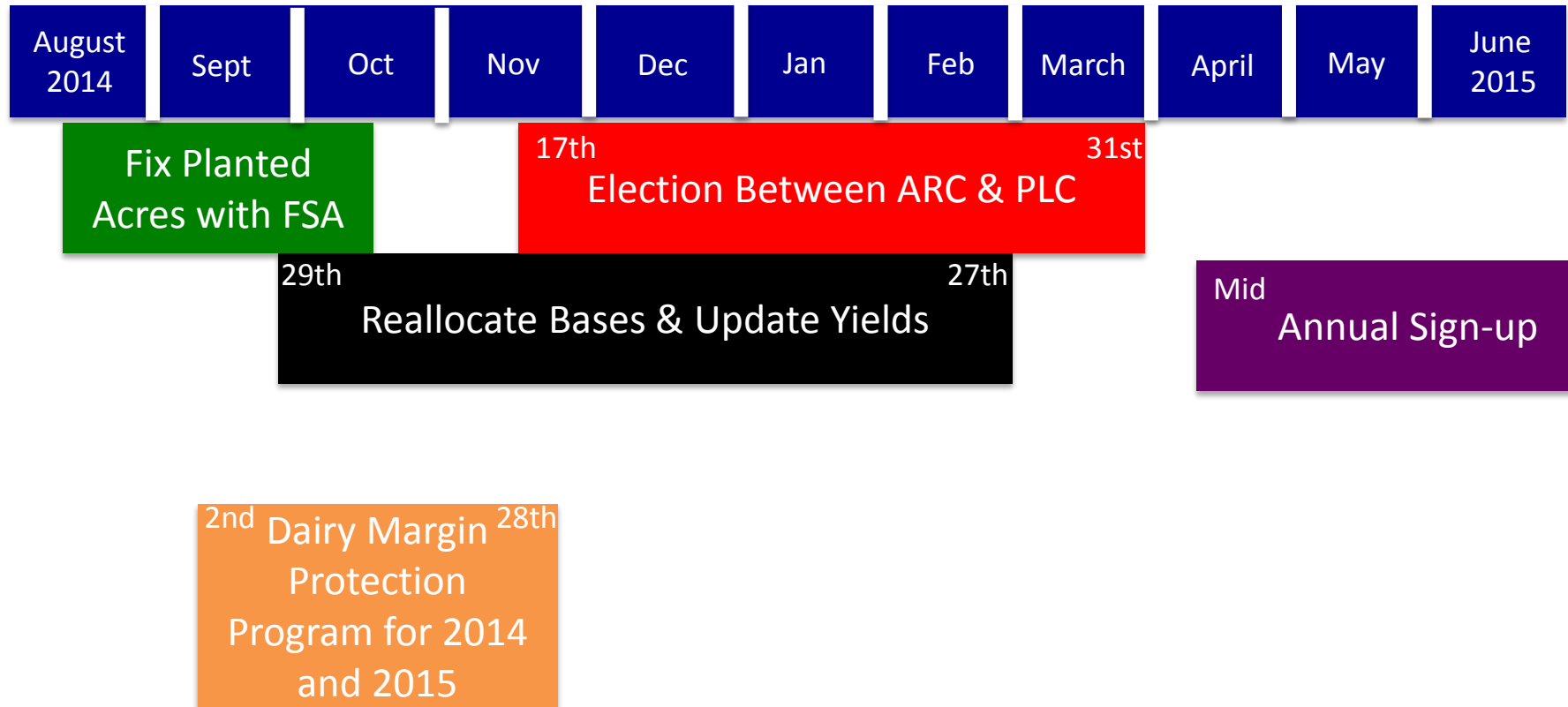


A Few Things to Think About

- All of the decisions required in the farm bill add to the producer's ability to tailor the bill to fit their operations – not just add to complication
- There will be plenty of time to gather needed info, analyze options, and make sign-up decisions – no reason to panic



FSA Announced Sign-Up Timeline



Farm Bill Education

- Podcasts on the AFPC website
 - Describe farm program provisions
 - Demonstrate Decision Aid
- Prepare educational materials and Pod Casts to highlight regional differences of the farm program for producers in their regions

