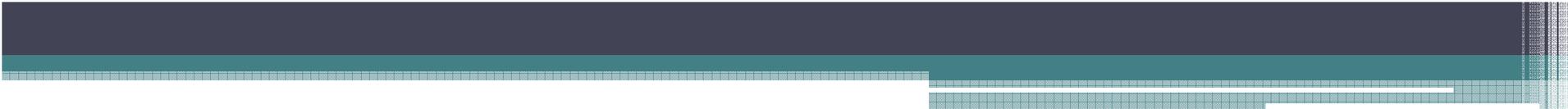




Best Practices of FBS Clients

Norm Brown

<http://www.fbssystems.com/cmspages.php?id=45>



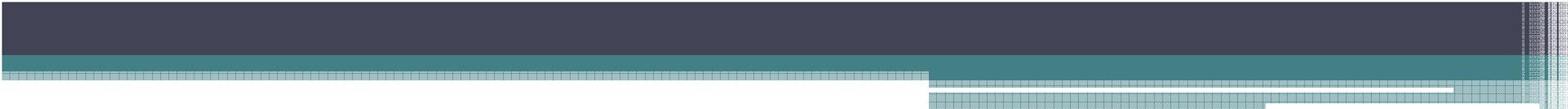
Benefits

1. Effectiveness
2. Efficiency
3. Internal control
4. Compliance to statutes and policies

Data Entry

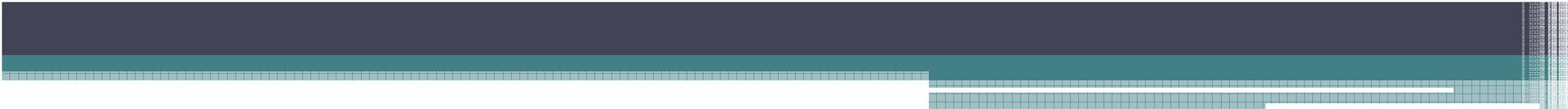
- ✓ Capture quantities
- ✓ Consistency
- ✓ Optimize the “buckets”
- ✓ Alpha or numeric?

| Edit | Date | Number | Cen. | Cen. Desc. | Group/Proj. | Amount | Quantity | Weight | Unit Price | Ave. Wt. | Description |
|------|------------|--------|------|------------|-------------|-----------|----------|------------|------------|----------|-------------|
| | 01/20/2011 | 5378 | 547 | | 201035w | 28,882.08 | 176.000 | 49,600.000 | 164.1027 | 281.82 | LOAD 1 |
| | 01/20/2011 | 5378 | 547 | | 201035w | 28,567.64 | 175.000 | 49,060.000 | 163.2437 | 280.34 | LOAD 2 |
| | 01/25/2011 | 5379 | 522 | | 201037F | 16,951.06 | 117.000 | 32,820.000 | 144.8809 | 280.51 | |
| | 01/25/2011 | 5379 | 547 | | 201035w | 9,287.23 | 58.000 | 15,835.000 | 160.1247 | 273.02 | |
| | 01/26/2011 | 5380 | 547 | | 201035w | 28,883.15 | 176.000 | 48,340.000 | 164.1088 | 274.66 | |



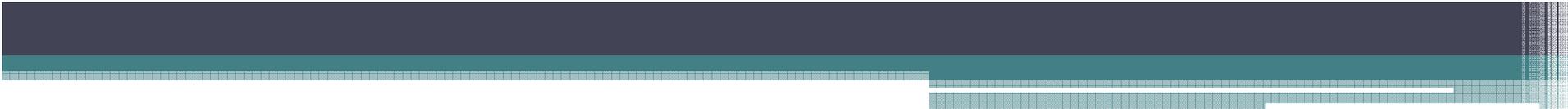
Capture Quantities

- Otherwise, just use Quickbooks
- What's the primary quantity?
 - Seed totes/bags/units
 - Cases /bottles
 - If possible, indicate in description
- Cross-check through User Defined or appropriate inventory reports



Optimize the “Buckets”

- Are you a “lumper” or “splitter?”
- Start with as few as possible
- The “load” generally falls on accounting data entry
- Don’t overkill at ledger/center levels
- Consider adding modules



Alpha or Numeric?

- Numeric faster for 10-key input
- Alpha easier to locate
 - Seed varieties
 - Chemicals
 - Drugs

Place for Accrual

- ✓ Manage by accrual/report by cash
- ✓ A/P-A/R
 - Makes inventories and closeouts practical
 - Tie between production and financial
 - Purchase orders
- ✓ Trial balance

Set the Standard

✓ Vendors

- You've likely got a better system
- They are more “generic”
- Make EDI a minimum requirement

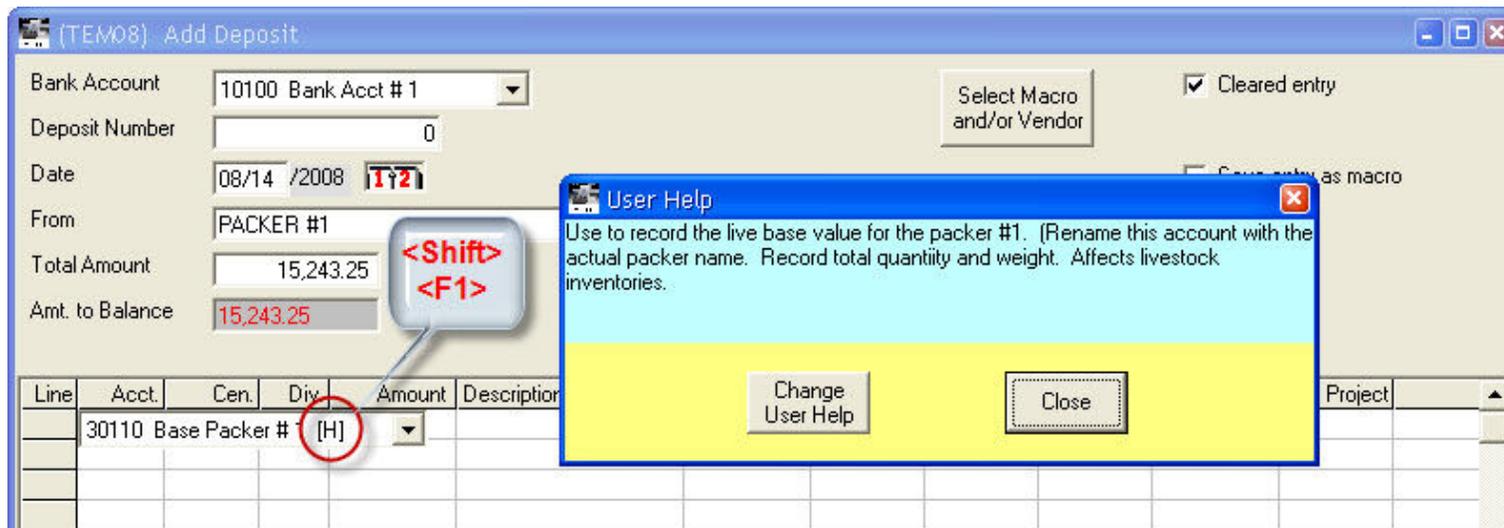
✓ Employees

- Just trying to do their job
- Often don't appreciate the big picture
- Build a “culture of information accumulation”
- Standardize names for all programs

✓ **Standard Operating Procedures (SOP)**

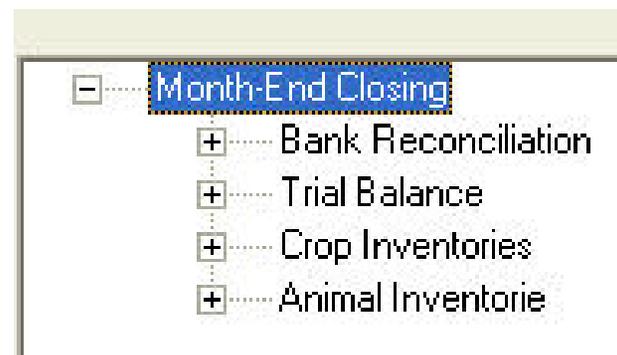
SOPs Through FBS

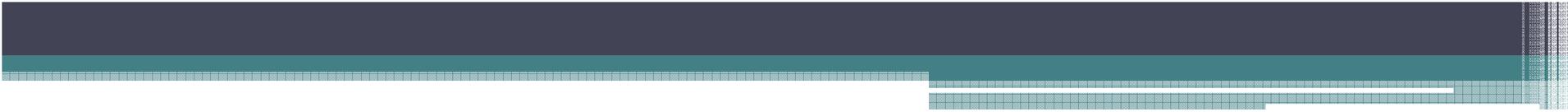
- Input macros
- User-defined help (cue cards)



SOPs Through FBS

- Two user-defined menus
 - Home page /icons
 - Covers input/edit/reports
 - Report menus
 - Select by user/file name



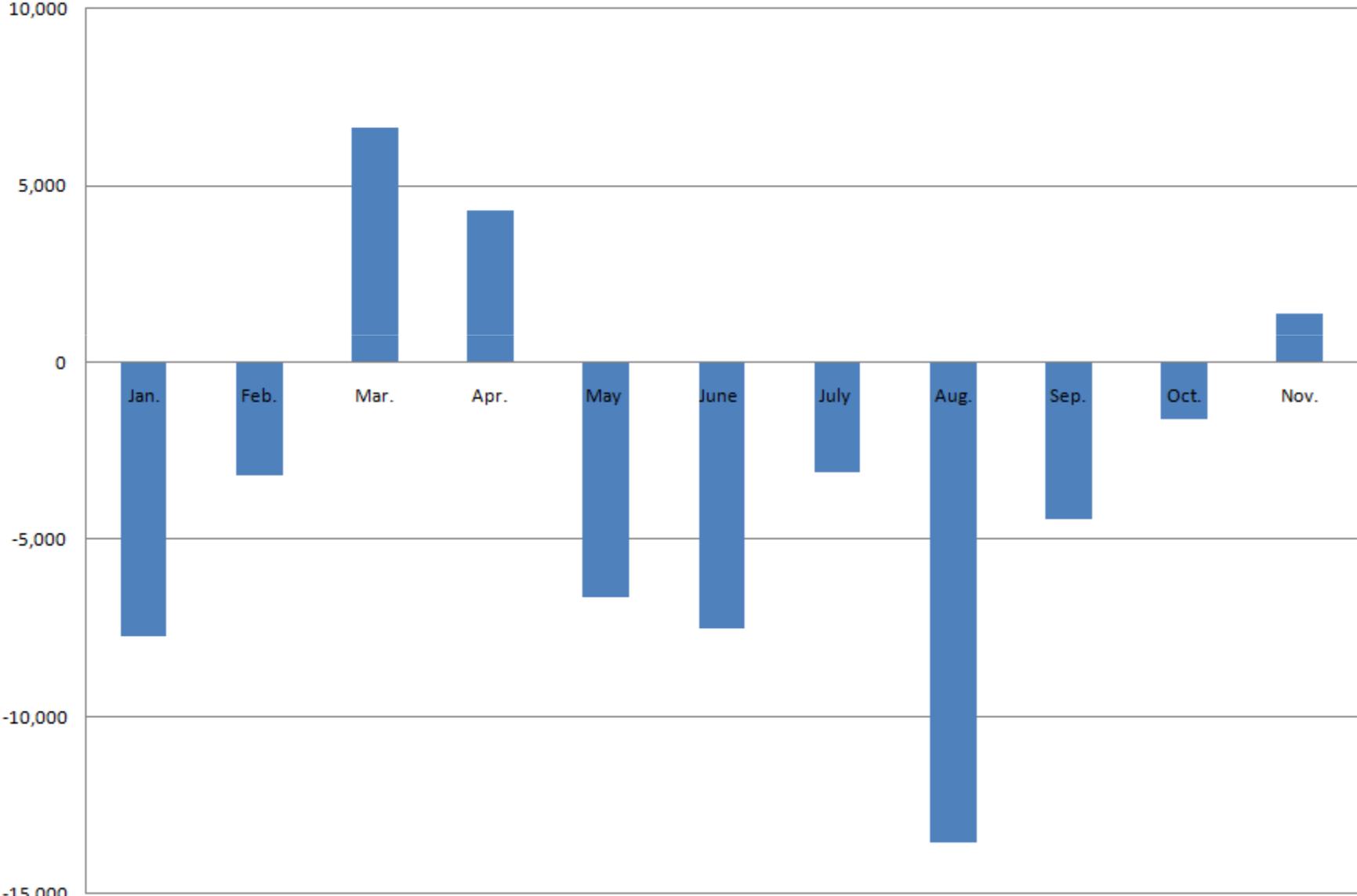


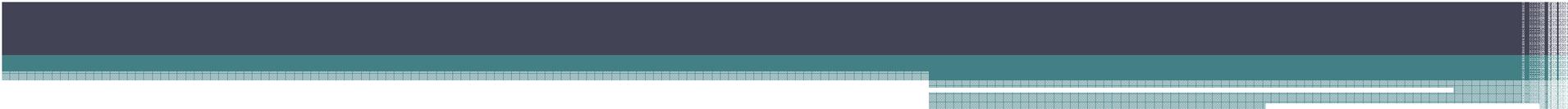
What Separates the Men from the Boys?

Inventory Control—Livestock

- ✓ Balance monthly
 - Products
 - Locations
 - Attributes
- ✓ Animals
- ✓ Feed
 - ✓ Drugs
 - Products → Costs → Locations

2010 Corn Actual-Budget Variance by Month





Inventory Control—Crops

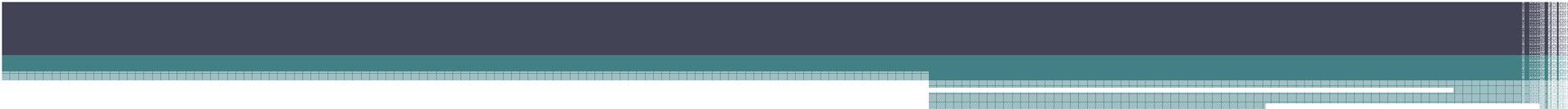
- ✓ Balance annually
 - Products
 - Locations
 - Owners
 - Attributes
- ✓ Commodities
- ✓ Inputs
 - ✓ Fuel

Budgeting

- ✓ Based on Biology
 - Animal flow
 - Feed budgets
 - Feed requirements by ingredient
 - Production practices & yields
- ✓ Current prices
 - ✓ DTN
- ✓ Rolling projections
- ✓ Scenarios

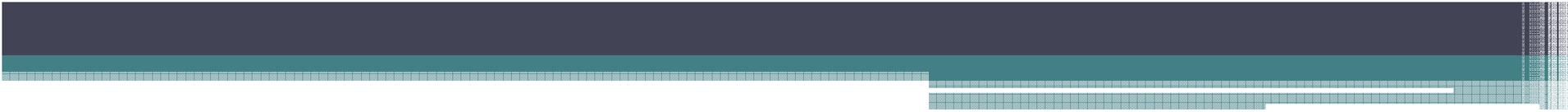
Sales

- ✓ Livestock accounts
 - ✓ Full-value / Sub-standard accounts
 - ✓ Sort/Premium
 - ✓ Carcass traits
 - ✓ Weight/premium distributions
 - ✓ By load
- ✓ Crop accounts
 - ✓ Commodity
 - ✓ Discount/premiums



Automation

- ✓ Leverage relationships
 - Feed suppliers
 - Feed Office Pro “Auxiliary IDs”
 - Packers
 - Vendors
- ✓ On-farm technology
 - Precision farming technologies
 - Scales
 - Feed mills



Importing Tips

- If providing data internally match source program as closely as possible
- ****UNDEFINED**** is always first on the list

Cost of Production → Margins

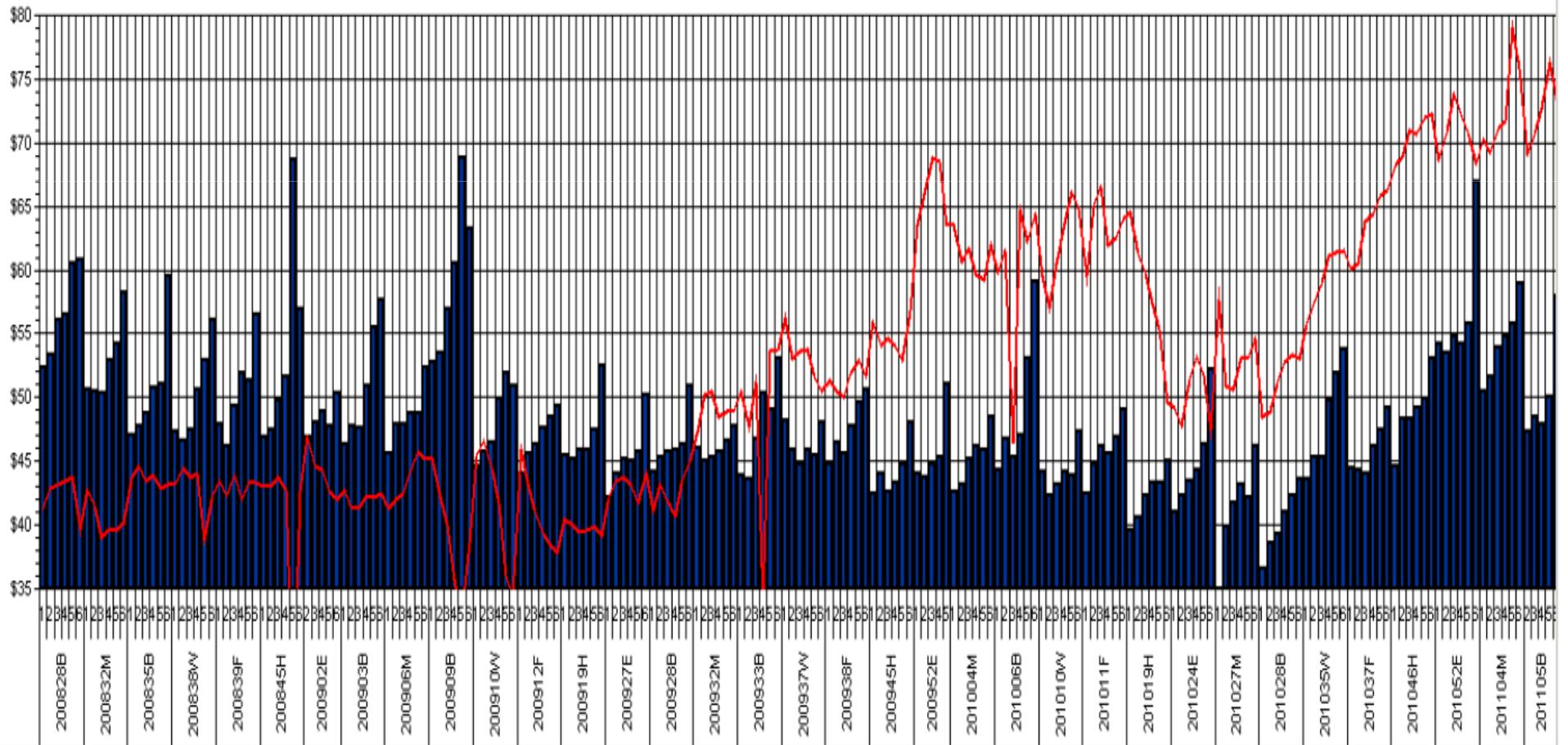
- ✓ E.CLIPSE management accounting
 - Allocates indirect costs (facilities/operations)
 - Ties with balance sheet
 - COGs rather than “pounds produced”
 - Properly matching hedging transactions
- ✓ Projections
 - Projected Cost Analysis
 - SF Planning DTN recap



Select Chart Drill ▾

Cost of Sales per CWT

■ COS per CWT — Revenue per CWT

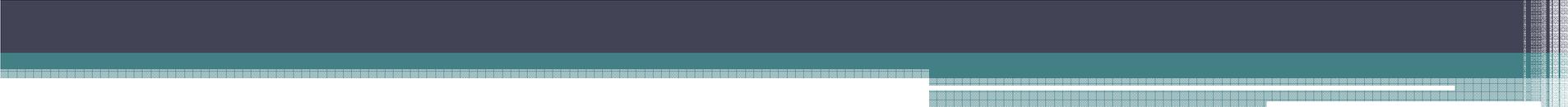


DTN Real-Time Prices

| (BFH11) Smart Feeder Planning Recap - Scenario - 5 Real-Time Prices | | | | | | | | | |
|---|------------|-------------|------------|------------|------------|------------|------------|------------|--------------|
| | May | June | July | Aug. | Sep. | Oct. | Nov. | Dec. | TOTALS |
| Total Cost of Feed | 359,602.59 | 296,300.16 | 352,977.11 | 303,758.85 | 290,114.90 | 467,359.96 | 342,384.62 | 271,655.08 | 3,831,148.87 |
| DTN Sales Price | | 63.86 | 64.88 | 61.43 | 61.43 | 57.19 | 57.19 | 59.03 | |
| DTN Corn Price | | 7.15 | 6.94 | 6.94 | 6.51 | 6.51 | 6.51 | 6.62 | |
| DTN Soybean Meal | | 359.82 | 358.82 | 358.52 | 353.32 | 354.32 | 354.32 | 355.32 | |
| Recap By Quarter | | | | | | | | | |
| Head Sold | | 11,764.00 | | | 6,873.00 | | | 16,040.00 | 41,889.00 |
| Contract Head | | 8,800.00 | | | 1,000.00 | | | 0.00 | 18,600.00 |
| Contract Value | | ,541,471.25 | | | 179,655.37 | | | 0.00 | 3,142,003.14 |
| % Contracted | | 74.80 | | | 14.55 | | | 0.00 | 44.40 |
| % Sold of Quarter | 32.88 | 46.78 | 44.73 | 52.15 | 3.13 | 13.91 | 48.14 | 37.95 | |

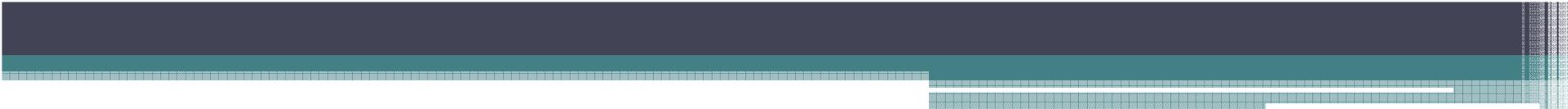
(BFH11) Feeding Cost Analysis - Budget W-F

| | BUDGET | ACTUAL | TOTAL | BUDGET | ACTUAL | BUDGET | ACTUAL |
|-----------------------------|--------------|--------------|-------------|---------|---------|----------|----------|
| | VALUE | VALUE | DIFFERENCE | PER CWT | PER CWT | PER HEAD | PER HEAD |
| NET SALES | | | | | | | |
| Market Hog Sales | 1,212,808.39 | 1,165,506.42 | 47,301.97 | 61.66 | 62.34 | 173.21 | 172.64 |
| Carcass Premium | 70,020.00 | 71,982.09 | -1,962.09 | 3.56 | 3.81 | 10.00 | 10.53 |
| Sort Loss | -14,004.00 | -17,295.34 | 3,291.34 | -0.71 | -0.92 | -2.00 | -2.53 |
| No Value Hogs | 0.00 | 5,832.10 | -5,832.10 | 0.00 | 32.69 | 0.00 | 71.12 |
| Dead On Arrival | 0.00 | 183.57 | -183.57 | 0.00 | 64.41 | 0.00 | 183.57 |
| Freight & Trucking | -18,205.20 | -17,897.43 | -307.77 | -0.93 | -0.95 | -2.60 | -2.62 |
| Marketing Expense | -7,002.00 | -6,125.83 | -876.17 | -0.36 | -0.32 | -1.00 | -0.90 |
| Total NET SALES | 1,243,617.19 | 1,202,185.58 | 41,431.61 | 63.22 | 63.69 | 177.61 | 175.91 |
| DIRECT PRODUCTION EX | | | | | | | |
| Purchased Pigs | 302,015.04 | 350,133.80 | -48,118.76 | 216.03 | 240.60 | 25.92 | 29.57 |
| Inv. Adjustment | 0.00 | -139,921.83 | 139,921.83 | 0.00 | -7.41 | 0.00 | -20.47 |
| Feed | 717,894.40 | 783,003.78 | -65,109.38 | 36.50 | 41.48 | 102.53 | 114.57 |
| GMD | 0.00 | 44,945.19 | -44,945.19 | 0.00 | 2.38 | 0.00 | 6.58 |
| Feed Adjustment | 37,204.29 | -249,853.52 | 287,057.81 | 1.89 | -13.24 | 5.31 | -36.56 |
| Cont. Grower Direct | 0.00 | -1,043.70 | 1,043.70 | 0.00 | -0.06 | 0.00 | -0.15 |
| Drugs/Medication | 0.00 | 204.03 | -204.03 | 0.00 | 0.01 | 0.00 | 0.03 |
| Drug Adjustment | 17,370.73 | 12,436.36 | 4,934.37 | 0.88 | 0.66 | 2.48 | 1.82 |
| Total DIRECT PRODUCTION EX | 1,074,484.46 | 799,904.11 | 274,580.35 | 54.63 | 42.38 | 153.45 | 117.05 |
| SUPPORT OPERATIONS | | | | | | | |
| Total SUPPORT OPERATIONS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| DIRECT PROFIT | | | | | | | |
| | 169,132.73 | 402,281.47 | -233,148.74 | 8.60 | 21.31 | 24.15 | 58.86 |
| Facilities | 172,753.35 | 154,143.42 | 18,609.93 | 8.78 | 8.17 | 24.67 | 22.56 |
| Finisher Supervision | 14,632.51 | 12,598.27 | 2,034.24 | 0.74 | 0.67 | 2.09 | 1.84 |
| Allocated Vet. Serv. | 1,951.00 | 1,501.34 | 449.66 | 0.10 | 0.08 | 0.28 | 0.22 |
| General Pork | 0.00 | -9,460.28 | 9,460.28 | 0.00 | -0.50 | 0.00 | -1.38 |
| PRODUCTION PROFIT | -20,204.13 | 243,498.72 | -263,702.85 | -1.03 | 12.90 | -2.89 | 35.63 |
| COST OF PRODUCTION | | | | | | | |
| | 1,263,821.32 | 958,686.86 | 305,134.46 | 64.25 | 50.79 | 180.49 | 140.28 |
| OPERATING PROFIT | | | | | | | |
| | -20,204.13 | 243,498.72 | -263,702.85 | -1.03 | 12.90 | -2.89 | 35.63 |
| NET INCOME | | | | | | | |
| | -20,204.13 | 243,498.72 | -263,702.85 | -1.03 | 12.90 | -2.89 | 35.63 |



Using Excel

- Import
- Export
- Graphing
- Report repository



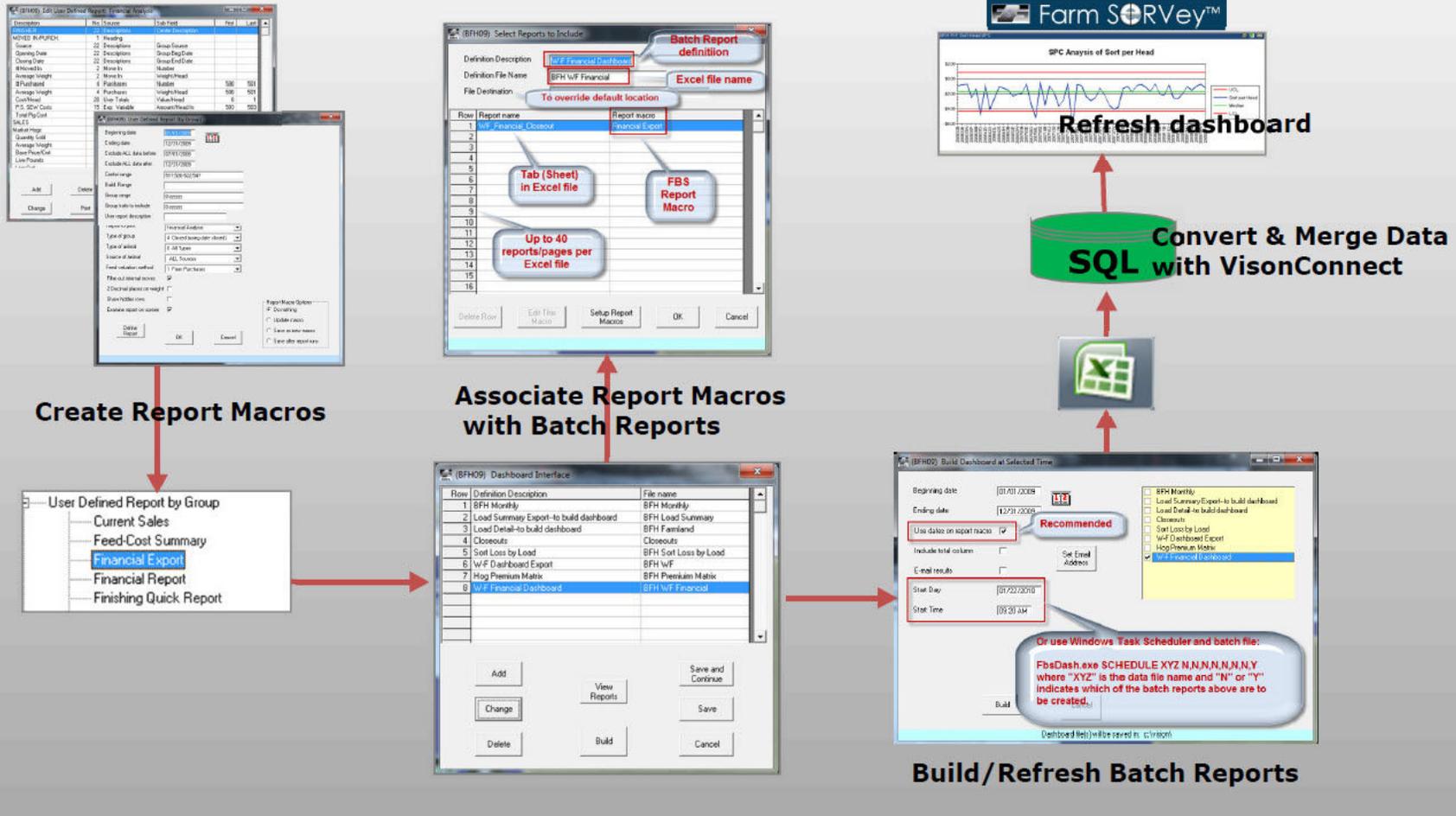
Executive Summaries

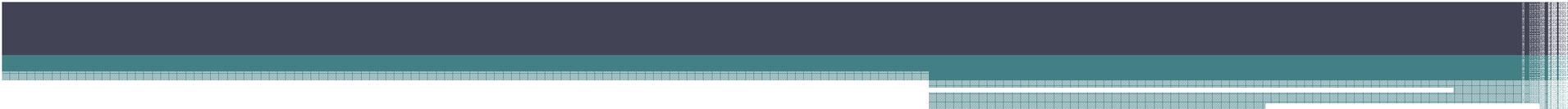
- ✓ Consolidated Cost Analysis
- ✓ Graphs
- ✓ Batch Reports
- ✓ Dashboard

Consolidated Cost Analysis

| A | I | J | K | L | M | N | O | P | Q | R | S | T | U | V | W | X | Y | Z | AA | | |
|-------------------------------|-------------------|--------------|--------------|---------------|---------------------|----------------|---------------------|-----------------|------------------|---------------|------------------|------------------|----------------|-----------------|-----------------|---------------|--------------|-----------------|-------|--------------|------------|
| | 520 | 521 | 522 | 525 | 530 | 540 | 547 | F510 | F520 | F521 | F522 | F525 | F530 | F540 | F547 | TRANS | NHGMT | POPORK | | | |
| UNIT NAME | Jahn, DuBlack W-F | Marky W-F | Hofmann W-F | Hemo Finisher | Richardson Finisher | Jim Halmer W-F | Eranda, Lafever W-F | LEFLER FACILITI | DEBLOCK FACILITI | MORBY FACILIT | HOFMANN FACILITE | H. FIN. FACILITE | RICHARDSON FAC | HOLMES FACILITE | LAFEVER W-F FAC | TRANSPORTATIO | NUTRIENT MGT | FORK PROFIT CEN | Total | | |
| Food Adjut. | 8,340.99 | -5,140.37 | -14,741.96 | 521.25 | -11,810.87 | 25,126.08 | 5,573.71 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 121,272.58 | |
| Total COST OF SALES | 459,609.56 | 496,857.70 | 475,048.99 | 193,453.43 | 722,795.04 | 420,171.00 | 584,642.88 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4,759,720.26 | |
| DIRECT PRODUCTION EXP. | | | | | | | | | | | | | | | | | | | | | |
| Drug & Mtd. | 12,421.44 | 11,202.51 | 10,299.63 | 99.73 | 776.40 | 10,897.99 | 11,788.04 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 94,677.13 | |
| Drug Adjut. | 6,485.03 | 2,604.93 | 281.56 | -33.78 | -281.01 | 1,568.59 | -43.15 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 13,073.70 | |
| Hired Labor | 0 | 41.25 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 21,608.19 | 4,341.57 | 0 | 0 | 102,847.49 | |
| Repair - Machine & Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6,984.94 | 1,426.78 | 0 | 0 | 25,644.08 | |
| Repair - Building/Improvement | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 394.26 | 0 | 0 | 0 | 0 | 0 | 0 | 14,903.92 | |
| Rent | 4,213.31 | 5,915.53 | 0 | 4,832.52 | 1,524.58 | 5,091.66 | 158,400.00 | 91,200.00 | 98,400.00 | 91,200.00 | 90,000.00 | 90,000.00 | 83,600.04 | 111,900.00 | 0 | 0 | 0 | 0 | 0 | 748,130.20 | |
| Machine Hire | 0 | 0 | 0 | 0 | 0 | 0 | 6,005.50 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 584.55 | 8,194.84 | 0 | 0 | 9,511.90 | |
| Supplier | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4,014.25 | |
| Veterinary Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,429.19 | |
| Gas, Fuel & Oil | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,109.77 | -208.02 | 0 | 0 | 0 | 0 | 5,989.00 | 1,454.86 | 0 | 0 | 19,554.23 | |
| Storage & Drying | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 196.64 | 0 | 0 | 0 | 0 | 0 | 3,139.10 | 0 | 0 | 0 | 3,335.74 | |
| Real Estate Tax | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,663.87 | |
| Insurance-Farm | 5,120.66 | 5,454.15 | 5,120.50 | 1,940.65 | 6,923.93 | 4,514.08 | 6,291.38 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,211.22 | 42.61 | 0 | 0 | 42,563.32 | |
| Utilities-Electric | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6,749.32 | 0 | 0 | 0 | 0 | 0 | 678 | 0 | 0 | 0 | 9,984.18 | |
| Utilities-LP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 8,643.81 | 4,432.86 | 0 | 0 | 0 | 0 | 20.95 | 68.85 | 0 | 0 | 26,376.95 | |
| Utilities-Phone | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 119.27 | 0 | 0 | 0 | 0 | 0 | -24.41 | 0 | 0 | 0 | 789.56 | |
| Licenses & Titles | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,594.55 | 0 | 0 | 0 | 5,775.50 | |
| Equipment Depreciation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 110.4 | 215.16 | 0 | 5,240.28 | 0 | 215.16 | 5,494.46 | 434.51 | 0 | 0 | 0 | 0 | 24,246.83 | |
| Building Depreciation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10,523.40 | 0 | 0 | 0 | 0 | 0 | 455.04 | 0 | 0 | 10,175.00 | |
| Current Interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2.00 | |
| Professional Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 873.76 | |
| Farm Office Expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3.35 | 0 | 0 | 0 | 92.97 | |
| Miscellaneous Expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 709.00 | |
| Total DIRECT PRODUCTION EXP. | 29,250.99 | 25,218.42 | 15,701.69 | 1,996.60 | 12,251.92 | 18,507.24 | 23,127.95 | 164,405.50 | 91,310.40 | 100,724.93 | 106,599.01 | 20,710.80 | 90,000.00 | 83,600.04 | 112,115.16 | 52,283.90 | 16,480.87 | 0 | 0 | 1,180,682.22 | |
| DIRECT PROFIT | 239,562.26 | 247,468.03 | 230,373.64 | 78,693.78 | 240,963.33 | 195,075.18 | 281,127.95 | -164,405.50 | -91,310.40 | -100,724.93 | -106,599.01 | -20,710.80 | -90,000.00 | -83,600.04 | -112,115.16 | -38,728.55 | -16,480.87 | -64,829.91 | 0 | 921,160.63 | |
| SUPPORT OPERATIONS | | | | | | | | | | | | | | | | | | | | | |
| Transportation | 0 | 0 | 0 | 0 | 1,139.63 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -29,108.11 | 0 | 0 | 0 | -37,968.43 | |
| Shop & Maintenance | 0 | 0 | 0 | 6,686.35 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -67,162.56 | |
| General Park | -1,395.84 | -1,363.42 | -1,296.10 | -441.94 | -1,308.74 | -1,627.99 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -4,112.21 | |
| Veterinary Services | 1,203.85 | 1,175.85 | 1,117.78 | 381.15 | 1,128.70 | 1,404.01 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,546.52 | |
| Nutrient Management | 0 | 0 | 0 | 10,813.49 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -464.50 | |
| Hog Facilities | 83,037.09 | 98,434.16 | 109,879.63 | 40,166.51 | 85,978.81 | 70,316.70 | 113,945.09 | -164,405.40 | -91,310.42 | -100,724.91 | -106,599.09 | -37,773.38 | -90,000.12 | -83,599.98 | -112,115.30 | 0 | 0 | 0 | 0 | 32,004.69 | |
| Finishing Supervisor | 5,120.43 | 3,351.93 | 8,512.00 | 3,864.49 | 3,204.13 | 11,816.88 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -25,135.71 | |
| G & A | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 50,375.53 | |
| Finance | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 87,142.88 | |
| Total SUPPORT OPERATIONS | 87,975.56 | 106,598.57 | 118,213.31 | 61,470.95 | 97,118.49 | 73,340.79 | 125,537.99 | -164,405.40 | -91,310.42 | -100,724.91 | -106,599.09 | -37,773.38 | -90,000.12 | -83,599.98 | -112,115.30 | -39,108.11 | 0 | 0 | 0 | 137,516.42 | |
| Acres/Head | 4,684.00 | 5,031.00 | 4,705.00 | 4,206.00 | 6,471.00 | 4,206.00 | 5,823.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Units Produced | 1,255,155.00 | 1,371,115.00 | 1,278,048.00 | 378,223.00 | -2,123,245.00 | 995,411.00 | 1,234,733.40 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Cost Per Unit | 0.12 | 0.1 | 0.09 | 0.05 | -0.07 | 0.12 | 0.13 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.89 | 0 | |
| MARGIN | 151,586.70 | 140,869.46 | 112,160.33 | 17,223.73 | 153,844.84 | 121,734.39 | 155,589.96 | -0.1 | 0.02 | -0.02 | 0.08 | 17,062.58 | 0.12 | -0.06 | 0.14 | 379.56 | | | | -202,348.33 | 882,933.52 |

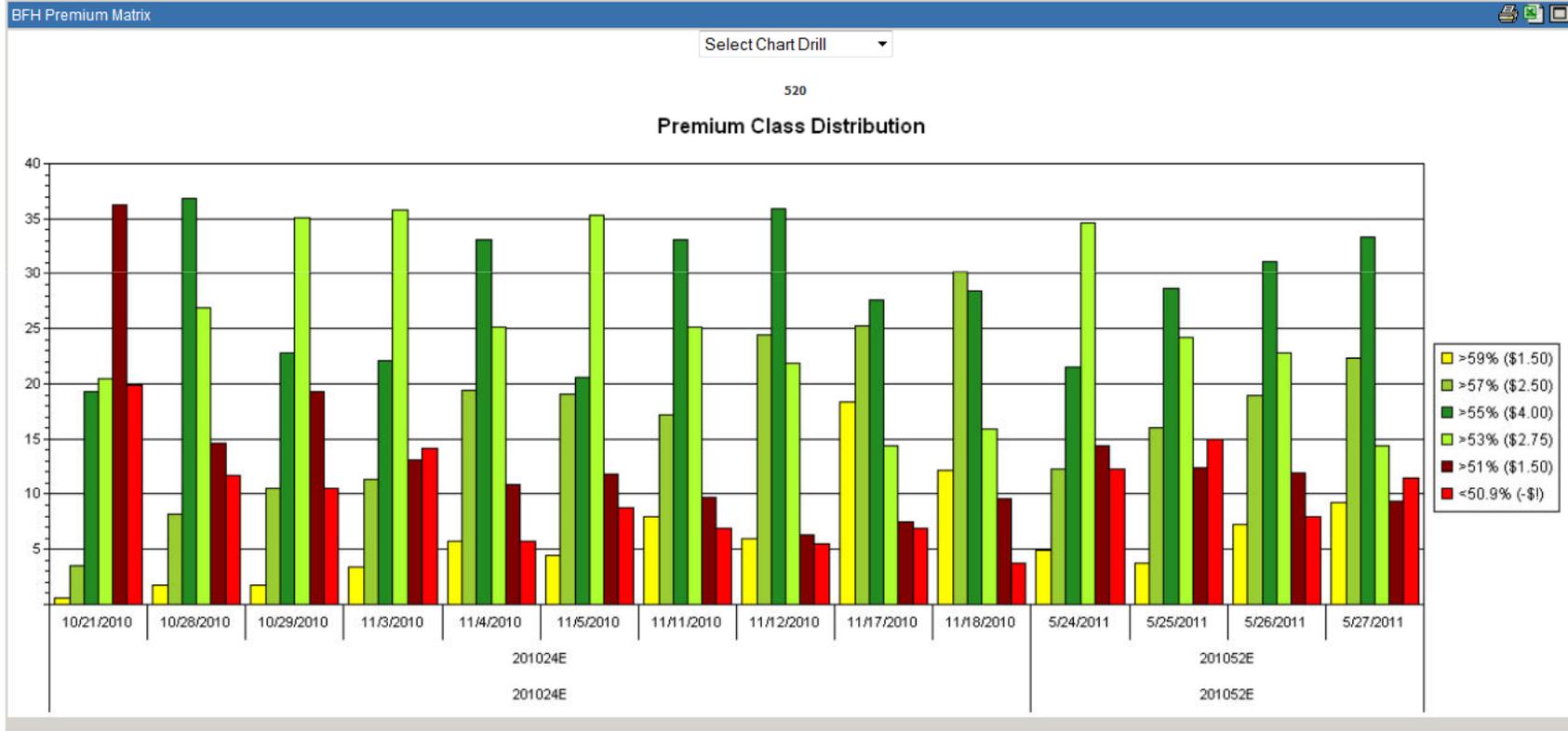
FBS Batch Reports

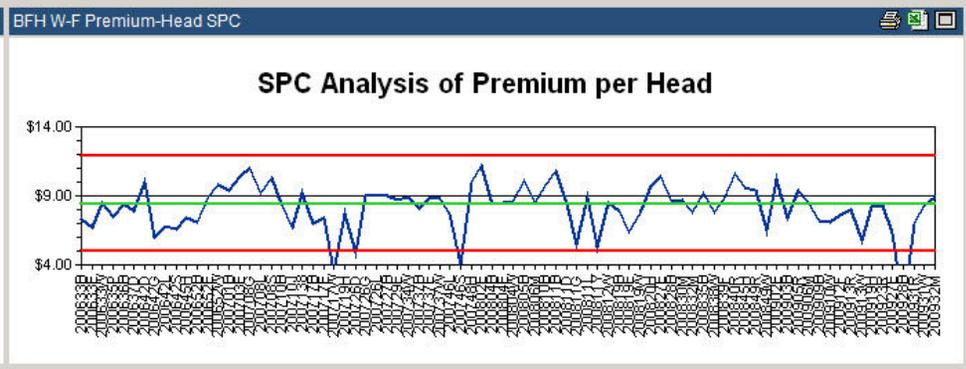
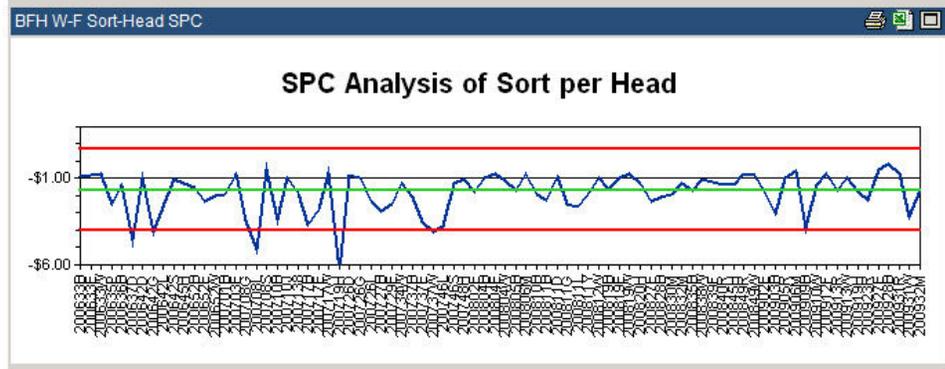
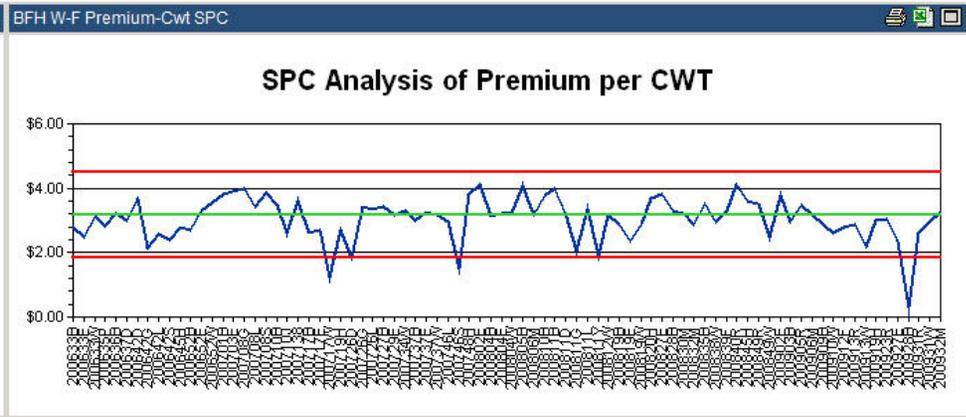
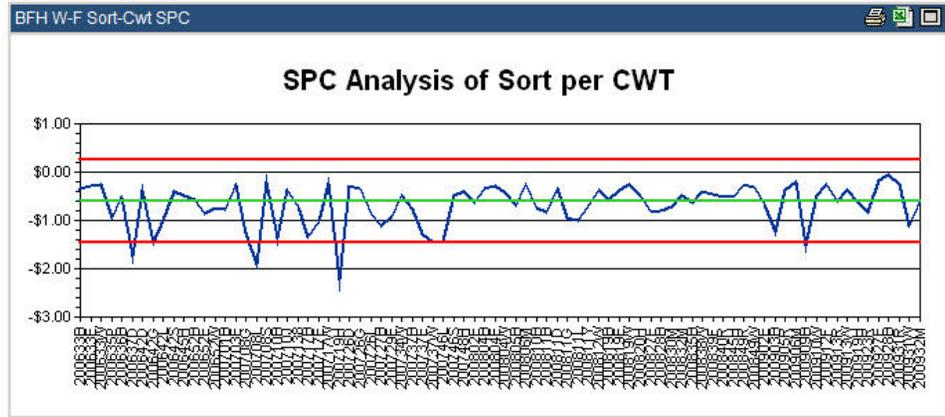


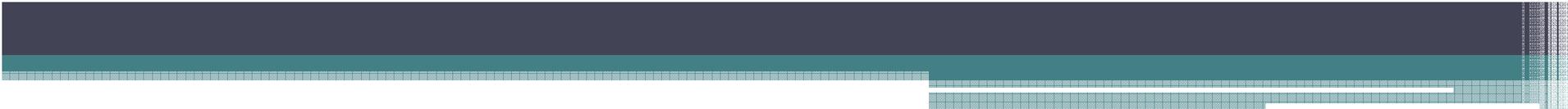


Dashboards / Batch Reporting

- Automated
- Graphical
- Highly customizable
- Can look ahead
- Can consolidate disparate data
 - Between FBS data files
 - From other data sources







Paper → Digital

- ✓ Electronic Document Management
- ✓ Automated Clearing House (ACH)
- ✓ Import/export with Excel

| Detail | | | | | | | | | | Recap by Ledger Account | | | | | |
|--------|------------|--------|-----------------|-------|----------------|------|-----------------|------|---------------|-------------------------|------------------|----------|---------|----|--|
| Edit | Date | Number | Vendor | Acct. | Acct Desc. | Cen. | Cen. Desc. | Div. | Div. Desc. | Amount | Description | Quantity | Scanned | We | |
| | 11/08/2010 | 6463 | CHRIS BERTELSON | 690 | Seeds & Plants | ZZ | Crop Unallocate | 2 | GRAIN DIVISIC | 1,921.92 | AGLD A63958TWF | 8.000 | No | 0. | |
| | 11/08/2010 | 6463 | CHRIS BERTELSON | 690 | Seeds & Plants | ZZ | Crop Unallocate | 2 | GRAIN DIVISIC | 1,914.64 | CHANNEL 213-32 | 8.000 | No | 0. | |
| | 11/15/2010 | 1241 | LINE SEEDS | 690 | Seeds & Plants | ZZ | Crop Unallocate | 2 | GRAIN DIVISIC | 4,311.25 | DKC 57-50 AR VT3 | 16.000 | Yes | 0. | |
| | 11/15/2010 | 1241 | LINE SEEDS | 690 | Seeds & Plants | ZZ | Crop Unallocate | 2 | GRAIN DIVISIC | 16,608.87 | DKC 59-35 AR VT3 | 64.000 | Yes | 0. | |

(BFH11) Change A/P Entry

Bank Account: _____

Invoice Number:

Date:

To:

Total Amount:

Amt. to Balance:

Select Macro and/or Vendor

Save entry as macro

Due date:

Amt. paid/No.:

| Line | Acct. | Cen. | Div. | Amount | Description | Quantity | | |
|------|-------|------|------|-----------|------------------|----------|--|-------|
| 1 | 690 | ZZ | 2 | 4,311.25 | DKC 57-50 AR VT3 | 16.000 | | Don't |
| 2 | 690 | ZZ | 2 | 16,608.87 | DKC 59-35 AR VT3 | 64.000 | | Don't |
| 3 | 690 | ZZ | 2 | 3,924.35 | DKC 61-19 AR VT3 | 16.000 | | Don't |
| 4 | 690 | ZZ | 2 | 2,974.91 | DKC 61-72 RR2 | 16.000 | | Don't |
| 5 | 690 | ZZ | 2 | 8,253.80 | DKC 62-54 AR VT3 | 32.000 | | Don't |
| 6 | 690 | ZZ | 2 | 18,292.54 | DKC 63-84VT3 | 68.000 | | Don't |
| 7 | 690 | ZZ | 2 | 5,899.19 | DKC 63-45 AR RR2 | 32.000 | | Don't |
| 8 | 690 | ZZ | 2 | 3,645.85 | DKC 60-51 AR VT3 | 16.000 | | Don't |
| 9 | 690 | ZZ | 2 | 3,645.85 | DKC 61-21 GENVT3 | 16.000 | | Don't |
| 10 | 690 | ZZ | 2 | 4,076.26 | DKC 61-21 AR GEN | 16.000 | | Don't |
| 11 | 690 | ZZ | 2 | 7,917.54 | DKC 63-42 VT3 | 16.000 | | Don't |

690 Seeds_Plants ZZ Crop Unallocated 2 GRAIN DIVISION

Save Cancel Print Insert Line Delete Line

Picture: C:\FBSWIN\Farm\live\INVOICES\BFH-10-7456.pdf

LINE SEEDS
208 3rd st. - P.O. BOX 193
Seaton, IL 61476

MCCRORY AND BROWN FARM
288 195TH ST
ALEDO, IL 61231



INVOICE

Invoice Number: 1242
Invoice Date: 11/17/2010
Delivery Date:
Last Payment:
Dealer Phone: (309) 586-6333
Fax Number: (309) 586-6333
Mobile Phone: (309) 337-8633
E-Mail Address: lineseeds@yahoo.com
Customer Office Phone: (309) 582-5646
Customer Home Phone:
Customer Mobile Phone:
Account Number: 905073

Dealer #: 1033739
 Interest Free FF
 Flex Plus
 Farm Mgmt

| Ref# | Delivered | Product | Type | Lot# | Comments | Quantity | Discount | Unit Price | Total Amt |
|------|-----------|---|------|------|----------|----------|----------|------------|------------|
| 10 | | AG3131 GENRRZY SC-BULK-FG | Sale | | | 45.00 | 0.0 | \$59.00 | \$2,655.00 |
| 20 | | AG3431 GENRRZY SC-BULK-FG | Sale | | | 90.00 | 0.0 | \$59.00 | \$5,310.00 |
| 30 | | AG3803 RR SC-BULK-FG | Sale | | | 90.00 | 0.0 | \$51.00 | \$4,590.00 |
| 40 | | Other Acceleron Insecticide and Fungicide | Sale | | | 135.00 | 0.0 | \$0.00 | \$0.00 |

Other Units: 135.00 \$0.00 Gross Total: 12,555.00
Soybeans Units: 225.00 \$12,555.00

same as front part

| Cash Discount Schedule | Discount | Cash Disc. | Amount Due |
|----------------------------------|----------|------------|-------------|
| If paid by Nov 15 2010 8.00% off | 8.00% | \$863.87 | \$10,184.53 |

Print Exit

Lines to print: 1 - 29
Last detail column to print: Amount

Close Print

(BFH09) Change Bank

Name: 01 BANK

ABA Number: 0123456789

Account Number: 10101010

Bank's Federal Reserve Bank

Bank Name: Chicago Fed

ABA Number: 0123456789

OK

(BFH09) Change Vendor

Name: FARM STORE

ABA Number: 230203

Account Number: 030320

OK

(BFH09) Import/Export ACH File

Bank account: 01 BANK

File Modifier: A = File # 1 for Transmission Date

TA+ Entry Date:

Beginning date: 10/06/2009

Ending date: 10/13/2009

Transmission date: 10/13/2009

Export file: C:\bwin\Farm\live

Create test file: IF test file

Setup OK

ACH Batch Setup

ACH transfers may be originated directly here or you may import an ACH batch created with third-party software through the ACH Import screen. To process an ACH Batch, follow these steps:

1. Create the Batch information on this screen
2. Input the Recipient information on the ACH Origination Screen, and
3. Process the Batch on the ACH Process Screen.

Country Bank is not responsible for errors in the content of the files created.

Batch #: 1313

Transaction Class: PFD(+) Prearranged Payment and Deposit Entry

Account: 1010123 - Bms Checking

Company Name: XYZ Farm

Company Discretionary Data:

Company Identification:

Company Description:

Date Scheduled: 10/20/09

Frequency: Once

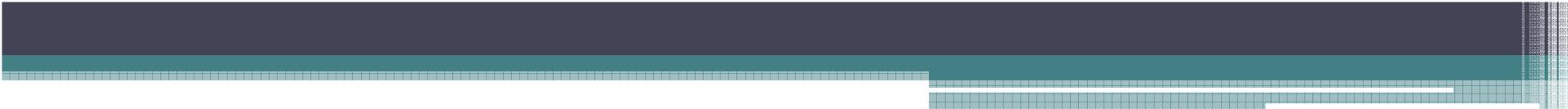
Date Scheduled Process:

Expiration Date:

Build Summary

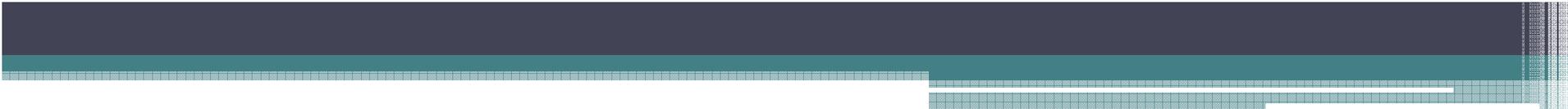
Submit

| ACH | | | | | | |
|-----------|----------------|---------------------|---------|-------|--------|---------|
| <<Batch>> | Last Processed | Date Next Scheduled | Account | Items | Debits | Credits |
| Example | | | | 0 | 0.00 | 0.00 |
| | | | | | | Once |



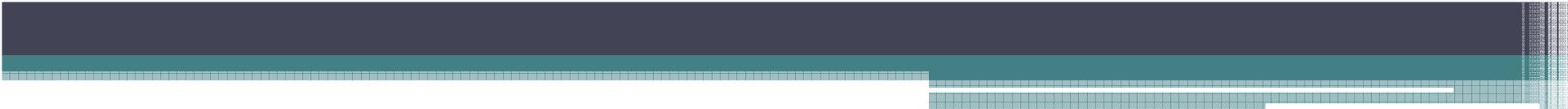
Moving Into the Cloud

- ✓ Networks
 - ✓ Hosted
 - ✓ Software as a Service (SaaS)
 - ✓ Pure cloud-based
-
- ✓ Benefits
 - Cost
 - Scalability
 - Collaboration



Timeliness

- ✓ Efficiency (getting more done)
- ✓ Effectiveness
 - Doing the important things rather than busy work
 - Making decisions with the best information available
 - Knowing when to start
 - Knowing when to quit

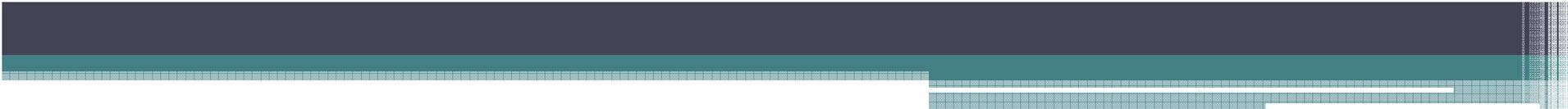


Flexibility vs. Formality

- “Closing” policy
 - At least annual (for cropping operation)
 - How it affects an integrated system
 - Your weakest link?
 - What you can’t know for sure
 - Crop insurance
 - Rebates
 - Patronage dividends
 - Enforcement & control

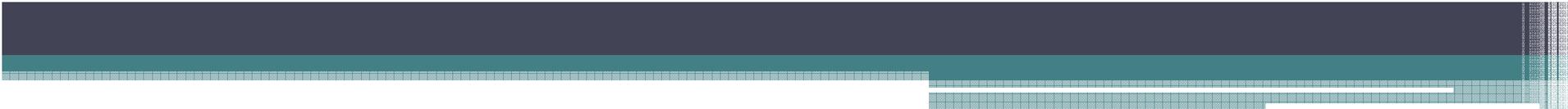
Compliance—USDA

- “Silos of excellence”
 - FSA
 - NASS
 - RMA
 - NRCS
- Issues
 - 5 million forms filed
 - 36 million **Common Land Unit** polygons
 - Non-standard production units
 - Acres planted vs. field acres
 - Reporting dates (54 RMA, 17 FSA)
 - Combine monitor calibration



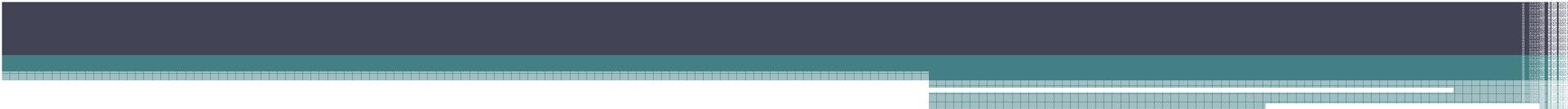
Compliance—USDA continued

- “Comprehensive Information Management System” (from 2002 Farm Bill)
- Objectives:
 - Simplify producer reporting
 - Minimize duplicate data entry
 - Maximum use of existing USDA data
 - Increase reliability, accuracy & completeness
 - Reduce misreporting
 - Self-service solutions for producers
 - Leverage technology from USDA & farm M.I.S.



Compliance—USDA continued

- Pilot project
 - **A**Creage **R**eporting **S**reamlining **I**nitiative
 - 4 counties in central Kansas
- Final implementation
 - Publish data standards to private companies
 - Won't be storing maps



Compliance—Farm Financial Standards

- Hedging transactions—go over tomorrow
- Benchmarking guidelines
- Management Accounting review
- Bring examples up to date
- Danny Klinefelter advises Peer Advisory Groups

