



Farm/Trust Manager

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Outline of Topics

- ▶ How it works
 - ▶ Farm Setup
 - ▶ Sweep
 - ▶ Spread
 - ▶ Fee calculations
 - ▶ Reporting functions
- ▶ Best Practices
- ▶ Additional modules and what they add for you and your clients
 - ▶ Accounts Payable
 - ▶ Crop Audit

Farm Setup

1. How will your naming system work?
 1. Do your farms have common ownership?
 1. Sweep farm is required for groups of farms with common ownership
 2. Designated as the "99" or "Z" farm
 3. It is a "Dummy Farm" where sweep funds and interest are actually posted

2. Setting up primary owner
 1. You must define a primary owner
 2. Not necessarily correlated with ownership %
 3. Ties the owner and the farm data tables together and is a report parameter on some reports
 4. The same primary owner can be associated with multiple farms

Number	Description	Fiscal Month
515A01	Family Farm 1	1
515A02	Family Farm 2	1
515A03	Family Farm 3	1
515A99	Family Farm 99	1

Change Farm

Farm Number: Description: Inactivate this farm:

Long Description: Active on:

Legal Description: Inactive on:

Farm Setup 1		Farm Setup 2	
Field	Value	OWNER	PERCENT
Fiscal Month (MM)	1 = January	Richard Title	33.3300
Trust/FSA Number		Susan Title	33.3300
Total Acres	40.00	Nancy Title	33.3400
Crop Acres	0.00		
Value per Acre	0.00		
Owner's Share of Crops	0.00		
Acres of Corn	0.00		
Acres of Soybeans	0.00		
Acres of Wheat	0.00		
Acres of Other Crops	0.00		
FSA Corn Yield	0		
FSA Wheat Yield	0		
FSA Soybeans Yield	0		
Primary Owner	Richard Title		
Manager	Zach Title		
First Operator	Jeff Title		
Second Operator	** none **		
Checking Account	0931 Agency Acct		
Sweep/Interest Account	0999 Sweep Account		
Second Interest Account	** none **		
Transfer Ledger Account	** none **		
Interest Ledger Account	3503 MMA Sweep Interest	TOTAL PERCENT	100.0000
Fee Schedule	8A 8% Agency Gross Fee	Trust/Agency	Agency
		Trust %	0.00
		Agency %	0.00

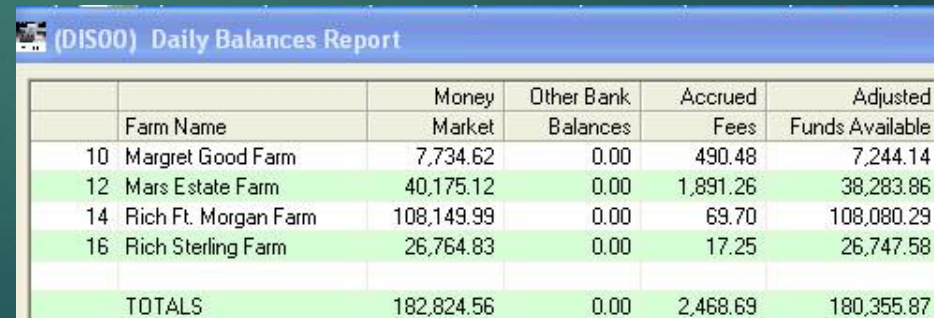
Ignore these two accounts

Sweep

- ▶ Definition: The automated process of moving excess funds from each farm's checking account into an interest-bearing account and/or moving funds from the interest-bearing account back into checking to cover cash requirements. It is performed at the end of each business day.
- ▶ Must have at least one sweep account in addition to checking account
- ▶ Must be defined as Ledger Account Type "M"
- ▶ Can add or change sweep accounts on first day of month after sweep and spread have been run for all farms, but re-sweeping/spreading in prior months will create major problems!

How to Sweep

- ▶ Should be done daily !!
 1. Run Daily Bank Balances Report
 2. Checking account balances show net checks/deposits for farm for day
 3. Run the Sweep (Month/Day—calendar controls the date of sweep)
 4. Re-Run Ending Daily Bank Balances
 5. Check balances should all be 0



	Farm Name	Money Market	Other Bank Balances	Accrued Fees	Adjusted Funds Available
10	Margret Good Farm	7,734.62	0.00	490.48	7,244.14
12	Mars Estate Farm	40,175.12	0.00	1,891.26	38,283.86
14	Rich Ft. Morgan Farm	108,149.99	0.00	69.70	108,080.29
16	Rich Sterling Farm	26,764.83	0.00	17.25	26,747.58
	TOTALS	182,824.56	0.00	2,468.69	180,355.87

Tips and Tricks to the Sweep

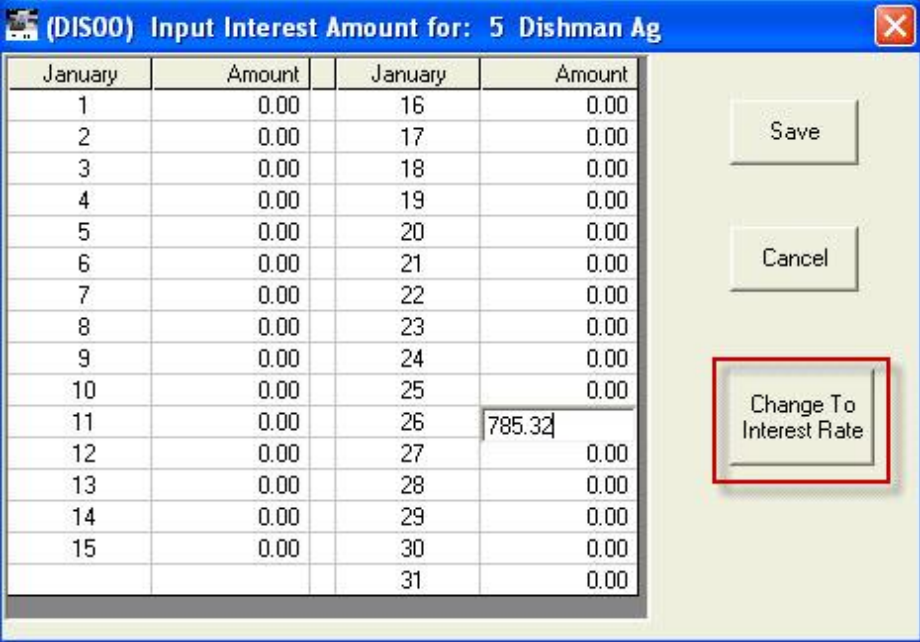
- ▶ If using the “Smart Sweep” it will not create a negative balance in the sweep account for the farm, so if account would go negative amount will not sweep
 - ▶ This will create a negative balance to the farm checking account until funds were made available and the next day’s sweep was performed
 - ▶ You can use the “Smart Sweep” by setting the preference Standard Sweep to “No”
- ▶ If you hand enter a Journal Entry from the sweep checking account it will be ignored
- ▶ If you put an entry into a incorrect farm you can re-sweep and re-spread

Spread

- ▶ The automated process of allocating interest between farms based on their average daily balance. Interest may be entered in total dollars or percentage and the spread process is normally performed once a month on account statement end date.

- ▶ **Two options**

- ▶ Enter total dollars (spread) earned for the month on the statement end date
 - ▶ Will match bank statement exactly
- ▶ Enter interest rate (calculate) on statement end date
 - ▶ Will differ by a few cents form bank statement

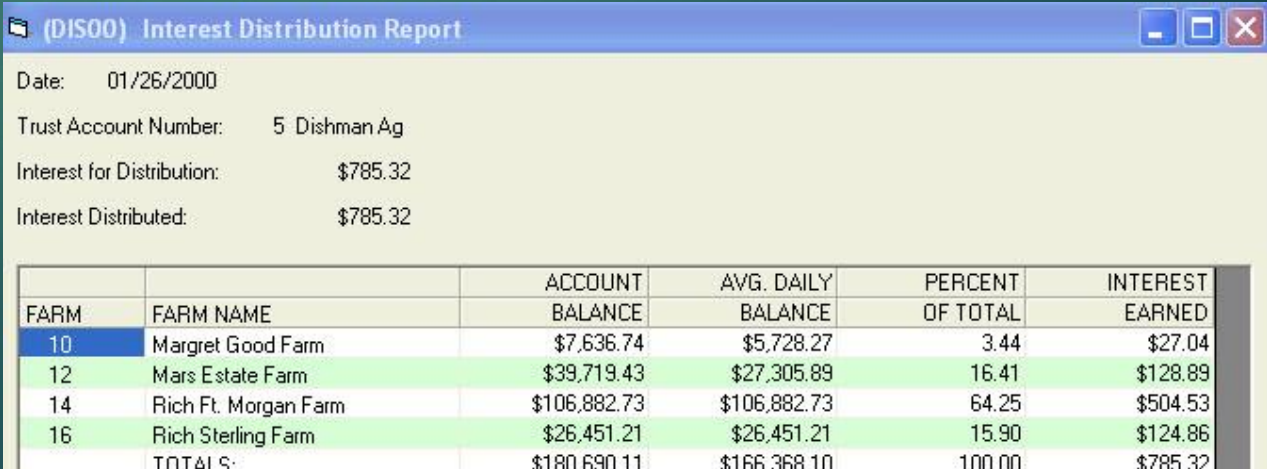


January	Amount	January	Amount
1	0.00	16	0.00
2	0.00	17	0.00
3	0.00	18	0.00
4	0.00	19	0.00
5	0.00	20	0.00
6	0.00	21	0.00
7	0.00	22	0.00
8	0.00	23	0.00
9	0.00	24	0.00
10	0.00	25	0.00
11	0.00	26	785.32
12	0.00	27	0.00
13	0.00	28	0.00
14	0.00	29	0.00
15	0.00	30	0.00
		31	0.00

Buttons: Save, Cancel, Change To Interest Rate

How to Spread

- ▶ Must be done on statement end date
- ▶ Sweep must already be completed
- ▶ Run Daily Bank Balances Report
 - ▶ Sweep Account balance does not include month's interest
- ▶ Run your Spread
 - ▶ Distribution report is automatically created, displays avg daily balance, % of totals and Interest Earned



(DIS00) Interest Distribution Report

Date: 01/26/2000

Trust Account Number: 5 Dishman Ag

Interest for Distribution: \$785.32

Interest Distributed: \$785.32

FARM	FARM NAME	ACCOUNT BALANCE	AVG. DAILY BALANCE	PERCENT OF TOTAL	INTEREST EARNED
10	Margret Good Farm	\$7,636.74	\$5,728.27	3.44	\$27.04
12	Mars Estate Farm	\$39,719.43	\$27,305.89	16.41	\$128.89
14	Rich Ft. Morgan Farm	\$106,882.73	\$106,882.73	64.25	\$504.53
16	Rich Sterling Farm	\$26,451.21	\$26,451.21	15.90	\$124.86
TOTALS:		\$180,690.11	\$166,368.10	100.00	\$785.32

Management Fees

- Only one fee schedule per farm
- Each fee schedule ties Accrued Management Fee liability account to Management Fee Paid expense account
- The Accrued Fee Offset account should be an owner equity account
- For net fees include appropriate expense and income accounts using fee percentage

Change Fee Schedule

Schedule Information | **Fee by Account**

Number: 8N
 Description: 8% Agency Net Fee

Accrued Management Fee: 2200 Accrued Agnc Mgmt F
 Accrued Fee Offset: 2220 Agnc Mgmt Fee Offset
 Management Fees Paid: 4020 Farm Agency Mgmt Fe

Inventory Fee Percentage: 0.00
 Type of Annual Fee: 1 = Annual Fee
 Annual Fee: 0.00

Fee by Account

Account Number	Description	Amount
4607	Rep/Maint Bldg & Imp	8.00
4609	Rent & Lease Exp	8.00
4611	Seed Exp	8.00
4613	Fertilizer Exp	8.00
4615	Soil Conditioner Exp	8.00
4617	Chemical Exp	8.00
4618	Aerial Spraying Exp	8.00
4619	Custom Hire Exp	8.00
4620	Soil Testing Exp	8.00
4621	Supplies Exp	8.00
4624	Irrig - Fuel Exp	8.00
4625	Irrig - Elec Exp	8.00
4635	Drying Exp	8.00
4636	Trking/Freight Exp	8.00
4638	Grain Storage Fxn	8.00



How to process management fees

- Record sales and expenses to each farm
- Automatically creates an Accrued Management Fee liability account journal entry based on fee schedule for this farm
- Run Daily Bank Balances report for ending period
- Enter a checks for each farm to pay the fees with the expense account being the Management Fees Paid expense account
- Automatically relieves Accrued Management Fee balance

Reports

- ▶ Standard reports vs Non standard/ reports that run off a definition
- ▶ Standard reports will run faster because no definition to pull up
 - ▶ Includes all of your internal financial reports
 - ▶ Daily Bank Balances, Ledger Account Summary, Bank Account Summary, Trial Balance- All can be run by farm
- ▶ Non standard reports are the most flexible but require setup
 - ▶ Cash Reconciliation
 - ▶ Cash Income Ledger Detail } Use the same definitions
 - ▶ Usually used as the primary customer statement
 - ▶ Management Fee Report
 - ▶ 1099
 - ▶ 4835

Best Practices

- ▶ Use the FBS backup routine to backup your data Mid day and day end even if you have auto backups that runs at night
- ▶ Try to keep to a daily routine
- ▶ Use FBS preferences' and report frequency tools to minimize what you have to manually do!
- ▶ Cross-train for when people will be out of the office-be prepared for unexpected absences

Additional Modules

Accounts Payable

- ▶ Batch check printing
- ▶ Cash requirement reporting
- ▶ Tracks vendor due dates
- ▶ Internal reports revers accrual to cash position

Crop Audit

- ▶ Integration for tracking crop inventories
- ▶ You enter harvest data, sales and purchase and it tracks your inventory. No separate system needed.