

Cost Centers for Brooksco Dairy

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Purpose

- Cost centers enable us to create smaller pools of expenses. Trends can then be identified that would otherwise be over looked.
- Each item on every invoice is converted into useful data.

Intangibles

- Equal attention paid to cow numbers, production, and cost control.
- Reminder that these are real dollars and not monopoly dollars.

Pitfalls

- Consistency in coding invoices is critical.
- Purchase orders not descriptive enough.
- Reviewing information in a timely manner.
- Failure to accurately record accrual inventory adjustments.

Cost centers

- 0 General. Items that benefit the dairy as a whole or are too complicated to allocate.
- 1 Parlor
- 2 Feed
- 3 Sand
- 4 Manure
- 5 Herd care
- 6 Shop

Administration of Cost Centers

- Purchase order used for every invoice that describes purpose.
- Invoice is matched with purchase order when received in the mail.
- Each item on every invoice is given a cost center and an expense account #.
- Accrual inventory adjustments for forages are posted at the end of every month.
- Month is closed out on the 20th of the following month.

11/30/2011			
<u>1 - GENERAL</u>			
Acct. Description	Current Month	Current YTD	
EXPENSES			
4450 SUPPLIES	476.79	6,970.27	
4451 ASSOCIATE FEES	2,122.71	26,780.89	
4452 NATIONAL DAIRY PROMO	2,252.25	22,317.15	
4453 GEORGIA ACQM	4,894.97	49,267.67	
4470 EXTRA LABOR	-	234.41	
4490 TRAVEL EXPENSE	67.94	67.94	
4610 LEGAL & PROFESSIONAL	2,315.00	4,899.00	
4800 INTEREST EXPENSE	15,148.50	171,742.20	
4920 UTILITIES	1,044.89	63,969.77	
4921 GARBAGE P/UP	86.30	5,158.19	
4930 REPAIRS-FACILITIES & EQUIP	591.27	16,226.29	
4940 REPAIRS-ROLLING EQUIP	15.00	2,246.27	
4990 GAS, FUEL & OIL	6,674.80	86,171.84	
4970 TELEPHONE EXPENSE	173.00	2,074.40	
4881 EQUIPMENT RENTAL	-	3,997.25	
4990 RENT EXPENSE	6,990.00	16,140.00	
4998 DONATIONS	-	900.00	
5020 PAYROLL TAXES	302.89	2,294.95	
5030 INSURANCE-HEALTH	1,072.00	(190.61)	
5038 EMPLOYEE MEDICAL	426.00	426.00	
5050 INSURANCE-BLDG & EQUIP	2,000.00	22,560.00	
5082 HAULING OTHER	5,248.50	11,342.50	
5094 880 HAULING MLR	93,875.29	651,280.62	
5095 TAXES-GENERAL	9,438.71	9,877.28	
5100 FINANCE CHARGES	-	322.47	
5121 UNIFORMS-EMPLOYEE	147.00	147.00	
7000	4,160.00	36,790.00	
7081 MACH HIRE	250.00	5,160.00	
7086 CONTRACT LABOR	154.00	10,327.39	
7100 ADMINISTRATIVE EXPENSE	1,300.00	64,900.00	
TOTAL EXPENSES	133,182.91	1,284,423.44	

11/30/2011			
<u>1 - PARLOR</u>			
Acct. Description	Current Month	Current YTD	
EXPENSES			
4450 SUPPLIES	14,242.58	116,634.23	
4820 UTILITIES	8,280.30	85,725.59	
4833 REPAIRS-FACILITIES & EQUIP	6,091.86	15,715.26	
4881 EQUIPMENT RENTAL	-	284.35	
5020 PAYROLL TAXES	2,591.34	33,851.96	
5083 HAULING OTHER	30.00	329.70	
7005	W-2	29,700.12	376,110.55
TOTAL EXPENSES	60,936.20	629,650.64	

11/30/2011			
<u>2 - FEEDING</u>			
Acct. Description	Current Month	Current YTD	
EXPENSES			
4010 PURCHASED FEED & COMMOODITIES	365,595.18	2,709,950.35	
4015 PURCHASED FORAGES	56,133.35	933,348.72	
4450 SUPPLIES	-	205.18	
4833 REPAIRS-FACILITIES & EQUIP	552.12	1,699.89	
4840 REPAIRS-ROLLING EQUIP	920.81	34,965.45	
4881 EQUIPMENT RENTAL	-	1,752.00	
5020 PAYROLL TAXES	309.35	3,116.51	
5095 TAXES-GENERAL	150.00	150.00	
7005	W-2	3,545.50	34,443.50
7082 CONTRACT FEED COWS	22,260.00	403,084.50	
TOTAL EXPENSES	449,466.31	4,122,716.10	

11/30/2011			
<u>3 - SAND</u>			
Acct. Description	Current Month	Current YTD	
EXPENSES			
4041 BEDDING SUPPLIES	-	27,857.09	
4450 SUPPLIES	-	192.60	
4840 REPAIRS-ROLLING EQUIP	855.16	18,608.28	
5020 PAYROLL TAXES	199.19	2,866.48	
7005	W-2	2,283.00	31,996.00
TOTAL EXPENSES	3,337.35	81,520.45	

11/30/2011			
<u>4 - MANURE</u>			
Acct. Description	Current Month	Current YTD	
EXPENSES			
4450 SUPPLIES	-	58.53	
4610 LEGAL & PROFESSIONAL	300.00	4,077.00	
4820 UTILITIES	1,969.96	20,577.27	
4833 REPAIRS-FACILITIES & EQUIP	3,583.53	24,928.53	
4840 REPAIRS-ROLLING EQUIP	-	763.06	
4881 EQUIPMENT RENTAL	-	740.00	
5020 PAYROLL TAXES	8.35	222.24	
5083 HAULING OTHER	-	6,693.20	
7005	W-2	95.70	2,264.30
7081 MACH HIRE	-	19,965.20	
TOTAL EXPENSES	5,957.54	60,269.33	

11/30/2011			
<u>5 - HERD CARE</u>			
Acct. Description	Current Month	Current YTD	
EXPENSES			
4200 MEDICATION-INJECT	462.53	13,997.13	
4210 BREEDING EXPENSE	3,671.24	35,967.83	
4230 MEDICATION-OTHER	512.17	21,024.87	
4440 VETERINARY SERVICE	60.00	9,818.00	
4450 SUPPLIES	1,139.63	15,884.75	
4510 DHIA RECORDS	1,979.70	19,010.11	
4615 HOOF TRIMMING, ETC.	619.98	5,747.84	
4833 REPAIRS-FACILITIES & EQUIP	-	106.95	
5020 PAYROLL TAXES	952.82	10,325.42	
5083 HAULING OTHER	55.00	555.00	
7005	W-2	10,920.50	111,767.74
TOTAL EXPENSES	20,373.77	244,005.64	

11/30/2011

6 - SHOP

Acct.	Description	Current Month	Current YTD
	EXPENSES		
4450	SUPPLIES	-	3,059.76
4833	REPAIRS-FACILITIES & EQUIP	115.34	1,454.94
4840	REPAIRS-ROLLING EQUIP	-	315.31
5020	PAYROLL TAXES	257.99	783.68
7005	W-2	3,071.45	9,111.40
	TOTAL EXPENSES	3,454.78	14,725.09