

Workshop Title: The Efficient Farm Office

Speaker(s) & their titles: Richard Wiswall, Cate Farm, Vermont

Executive Summary

In this workshop Richard demonstrates how he keeps his farm office organized and running smoothly. He also emphasizes the importance of keeping a paper trail for all your expenses and income to prevent losses.

Detailed Notes

Richard brought a demonstration desk and on the desk he has:

- desk calendar, pocket calendar
- folder for unpaid invoices
- holder for payments for deposits
- inbox for mail
- file folders: bills to pay, slips for accounts billed monthly, credit card slips
- filing system: access things when you need them without having them on your desk
- pocket folders: for things such as insurance forms, one folder for employee, tax information, organizations, temporary file to look at each week

Office Paper Flows

There are two main paper flows of money into and out of the farm. Purchases, which are things coming into the farm with a paper trail and sales, which is anything that leaves the farm with a paper trail.

Paper Trails

Richard suggests having a temporary spot for items because you don't want to be forced to deal with every paper as it comes in, such as unpaid invoices, bills to pay etc. Richard sets aside a certain time each week to focus on office work which makes it much more efficient. He also states it is important to write on purchase receipts immediately what expense was and to subtract non-farm expenses from receipts without waiting. This keeps it clear how much was spent while it is fresh in your mind. It is also a good idea to keep receipts together in one place (such as a box where you leave your keys).

Demonstration of Richard's office routine:

Richard's opening mail routine involves sorting mail based on contents and keeping envelopes to use as scrap paper. The key is making the decision right as mail is opened.

If Richard needs to do something with the mail he puts it on a To Do list. In payments for deposit he puts cheques; in bills to pay he puts electricity bills, Johnny's bill, propane bill, monthly statement; and he puts the junk mail in the recycling. He sorts his expenses into categories such as insurance, fuel and so on. He also checks the items on his credit card bill to track his costs and break them down so he doesn't have to do it when he does taxes.

**2013 ACORN Conference
Delta Beauséjour, Moncton NB**

Next Richard does a skit to demonstrate the importance of having a paper trail with customers. He sells his neighbour a \$20 bottle of syrup and she cannot pay right away and he does not write an invoice. After he leaves he throws a \$20 bill on the ground to highlight that not tracking your money is the same as throwing it away. You need to give invoices for even \$20 of syrup. It's easy to forget if the phone rings or someone comes to the door. This may seem mundane but is very important. It is ideal to get the money at the same time the invoice is given out. There is also the danger of losing receipts and one solution is to have a triple copy: with one copy in the office, one goes with the driver and one to the customer.

Financial Leaks

Financial leaks could include no invoice, lost invoice, math errors or taxes. Richard keeps a list of whom he has lent books or tools to. Usually your customers will not check your math so it is easy to short yourself money with math errors. A paper trail is important because without one you cannot charge something as a business expense. You want to expense every bona fide farm expense that you have.

For a CSA you get the money at the beginning of the season but if you have an abundance of a crop and end up giving out more in the CSA than you can be giving away crops at a lower price. If the value of the CSA ends up being much higher than the amount paid at the beginning of the season and costs of production remain the same than you are losing money. At farmer's markets rounding down weights even slightly results in a large loss.

Quick Fixes

Quick solutions to these leaks are paper trails, invoicing everything and checking your math.