

## **SAM – INSTITUTIONAL FARMING AND PROCESSING OPERATIONS**

### **PRODUCTION RECORDS**

**10920**

(Revised 8/1970)

Farm products will be accounted as additions to inventory at the time they are harvested or otherwise produced. Farm products will be valued at prices approximating current market prices.

Farm unit heads will prepare Production Advice form, showing description and quantity of commodities produced. Commodities will be considered to be produced when they have been processed to the point where they become available for (1) use by the kitchen or by a processing unit for consumption in production or (2) sale. For example, the dairyman will itemize on a Production Advice the number of gallons of cream, skim milk and whole milk produced. Similarly, the hog ranch operator will itemize on a Production Advice the number of pounds of dressed pork produced.

The storekeeper will verify the accuracy of a Production Advice, sign it, and send one copy to the accounting office. Production Advices, insofar as practicable, will be prepared promptly when crops are harvested or commodities are produced, so as to permit a prompt verification of quantities. For certain commodities, the harvest of which involves a constant flow or series of deliveries, memorandum records may be made of deliveries which will be summarized on monthly Production Advices, provided that the storekeeper has the opportunity to verify quantities of deliveries.

The accounting office will price the Production Advices at the market price current at the time of production. The accounting office will request the Office of Procurement to furnish prices of commodities produced that are not otherwise available. Production Advices will be entered in the Production Advices Register. Production will be analyzed by producing enterprise in the Production Advices Register. The items on the Production Advice will be posted to a Stock Record similar to the sample shown in SAM Section 10960.