

**Forest Service Handbook
National Headquarters - Washington Office
Washington, DC**

**Forest Service Handbook 6509.15 – Collection and Analysis of Timber Purchasers' Cost and
Sales Data**

Chapter 30 - Accountant's Report

Amendment: 6509.15-2016-1

Effective date: December 12, 2016

Duration: This amendment is effective until superseded or removed.

Approved by: Antoine L. Dixon, Chief Financial Officer

Date approved: December 6, 2016

Responsible Staff:

Last Change: Amendment No. 14 to FSH 6509.15

Superseded Document(s):

00--1 - 06--3, Amend 13, 12/1979 & Amend 14, 12/1983; 10, Amend 13, 12/1979; 20--1 thru 22.9--4, Amend 13, 12/1979; 30 thru 31--4; Amend 13, 12/1979

Digest: Following is an explanation of the changes throughout the directive by section.

6509.15: Makes minor technical, editorial, and grammatical changes throughout the handbook.

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31 - Cost Analysis Report

1. The Cost Accountant will prepare a report of the results of the survey and cost analysis for use by the Forest Management staff. These reports and any electronic data stored on an external drive must be kept in a designated locked file and made available only to the personnel responsible for the development of timber appraisal guidelines. The report will be furnished by staff area such as Audit and Assurance to Forest Management staff. Reports and data transmitted electronically must be encrypted or password protected.
2. The report will be prepared in a uniform and consistent manner as shown in exhibit 01 and direction set forth in section 32.
3. Instructions concerning the Cost Accountant's report are shown in the report format itself which will consist of the main headings with appropriate sub paragraphing as needed. All reports will follow this format with a cover sheet and letter of transmittal from Audit and Assurance staff to Forest Management staff. Description of items which may appear in the report is contained within its headings.
4. The Cost Accountant's report should be prepared even though they are expected to participate in the next collection.

31 - Exhibit 01 – Cost Analysis Report

(Cover sheet)

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SURVEY AND COST ANALYSIS REPORT

T/M code	: Timber operator No.
Location	: National Forests in Florida
Period covered	: Calendar year 2016
Cost analyst	: Joseph Doaks
Dates of analysis	: February 9-13, 2016
Previous analysis	: February 10 - 14, 2015

32 - Cost Accountant's Report

1. Background. The background section should be used to report the Forest Management staff current information used to update or develop the survey working papers. This should include reporting the changes in the operator's business activity since the last written report and generally presenting a written narration of the current operation. Comments such as stating the major products produced, to whom chips are sold, how they are delivered, the contract price for the chips, length of the chip contract, types of and markets for byproducts, method of timber and log acquisition, changes in management, and so forth, are examples of the items which should be reported in this section.

2. Findings and Qualifications of Data.

- a. Show items which have been prorated, estimated, and so forth. Definitions of cost which are meaningful to the Timber Management staff are included here. State the premise of which various apportionments of costs were made.
 - b. Extraneous costs and other similar items which are unrelated to timber appraisal are findings. State the reasons why any cost is excluded, especially if failure to note would result in a misunderstanding by the Forest Management staff or the operator.
 - c. Record interpretations, limitations, and so forth.
 - d. Record changes, corrections, reclassifications, and so forth. Use separate subparagraphs for each in order to clarify. Follow manual instructions for this purpose.
 - e. Explain prior-year closing entries, Auditor's adjustments, and so forth, as it affects appraisal and not accounts.
 - f. The Cost Accountant is not auditing the purchaser's books. The Cost Accountant may bring errors to the attention of the operator provided they convey the impression of rendering a service rather than of criticizing or questioning reliability, and so forth. The Cost Accountant's working papers, and cost and sales data collected in accordance with instructions, are sufficient for timber appraisal.
 - g. Include other items pertinent to timber appraisal. Findings may be shown in any itemized sequence; paragraphing herein merely conforms to the report format.
 - h. Make whatever comment is necessary to inform the Forest Management staff of the nature of the accounting product and all factors concerning its use. This requires the Cost Accountant to be informed of the provisions of FSM 2422.
3. Cost Averages per Cost Analysis and Collection. This is a summary of the volume divisor, amount, and per M cost for each cost center developed by the Cost Accountant for the current year. Also, present a second summary of the per M costs by cost center for the current and preceding operating year. Where significant variances in volume or

amounts from the previous year have occurred, observation and comments regarding the reasons for the variances should be determined and noted.

4. Instructions for Next Survey and Cost Analysis. In this section, remarks should be made regarding preparations unique to this timber operator. Examples would be:

- a. Arrange for the analysis at a specific time of the month or year to accommodate the operator's workload.
- b. Write in advance to ask the operator to have their Accountant prepare certain information which cannot be readily extracted from the accounting records.
- c. Take a table and chair with you to work from if overcrowded working conditions exist at the operator's office.
- d. Inform the timber operator of Forest Service needs. Describe what will be needed, records to be made available, and so forth.