

# Feedlot Cost Management Assessment Worksheet

**Name:** \_\_\_\_\_ **Address:** \_\_\_\_\_ **Telephone:** \_\_\_\_\_ **Email:** \_\_\_\_\_

	Score	None or Needs to Develop (1)	Improving (2)	Good (3)	Excellent (4)
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## Nutrition and Rations

Rations developed to optimize performance		Utilize general recommendations	Rations developed for the operation using several feedstuffs	Rations developed for each pen of cattle using several feedstuffs	Rations developed for each pen of cattle evaluating all available feedstuffs
Rations reviewed		Look at performance at marketing	Monitor consumption weekly	Monitor consumption and performance daily	Monitor consumption and performance daily and analyze bunk samples
System to analyze feedstuffs for moisture and nutrient analysis		Use book values	Some feeds tested every six months or yearly	Most feeds tested quarterly. Wet feeds and more variable feeds tested monthly. All analyses used to adjust rations	All feeds tested quarterly. Wet feeds and more variable feeds tested monthly. All analyses used to adjust rations
System to evaluate alternative feeds in ration		Use general recommendations	Evaluate one or two alternative feeds for cost	Evaluate 3-4 alternative feeds for cost and ration effects	Evaluated all alternative feeds for cost (including transportation and storage) and ration effects
Rations developed to meet nutrient requirement specs (phase feeding)		Nutrient levels especially protein level changed once or twice during a feeding period	Nutrient levels changed 2-3 times during feeding period	Nutrient levels monitored and changed monthly if needed	Nutrient levels monitored and changed weekly if needed
Defined step- up program		No program	Use a program based on cattle type and consumption	Have a defined program for each cattle type and adjust for cattle intake	Have a defined program for each cattle type and adjust for cattle intake, projected performance and targeted marketing date.
Rations adjusted for weather		No adjustment in ration	Try to catch up to weather	Make changes with oncoming weather	Monitor cattle and weather to make changes as needed
Water delivery amount available and consumed		Water available	Clean water available		Clean cold water available with at least 1 water space for 25 head. Water intake may be monitored
Water quality reviewed		No water sampling	Water evaluated yearly for mineral content	Water evaluated quarterly for mineral content	Water evaluated quarterly for mineral content and bacteria

<b>Feed Delivery and Feedbunk Management</b>					
	<b>Score</b>	<b>None or Needs to Develop (1)</b>	<b>Improving (2)</b>	<b>Good (3)</b>	<b>Excellent (4)</b>
Bunk scoring system		No system	Bunks evaluated but no scoring system	A scoring system in place but not routinely used to make feed calls or adjustments	Scoring system in place. Scores recorded and used by all to make feed calls and adjustments
Receiving program for calves		No clear program	Defined step- up rations	Specific program for high risk cattle	Defined receiving and step-up program. Includes guidelines for ration changes by intake, cattle type, and targeted marketing date.
Mixing assessment		Feed is mixed but no monitoring occurs	Feed is mixed according to mixing equipment manufacturer directions	Feed is mixed and ration consistency is evaluated	Bunk sample analyzed and mixing Coefficient of Variation calculated periodically
Feed processing and delivery efficiency		Feed is processed and delivered	Feed is processed and delivered. Cost is monitored	Feed is processed and delivered. Cost and performance is monitored	Feed is processed and delivered. Cost and performance is monitored. Time to feed and process feed per pen or head is tracked and monitored
Management and employee communication adequacy (if applicable)		Employee handles and makes own decisions	Employee is trained and makes decisions based on management input provided quarterly	Employee is trained and makes decisions based on management input provided monthly	Employee and management review weekly and jointly make decisions
Feed waste at bunk monitored		Observed but not tracked	Feed waste is observed and tracked by pen	Feed waste is evaluated and changes made to reduce waste if needed	Feed waste measured against a standard and adjustments made based on target goals
<b>Feed Storage</b>					
Inventory control		Inventory not monitored	Inventory periodically measured	Routine inventory checks	Inventory analysis program with daily or weekly reports
Feed waste		Not monitored	Periodic checks	Routine inspections for feed waste	Feed waste estimated and accounted for.
Processing cost and waste		Not considered	Periodic estimates of feed waste and costs	Feed waste and processing costs measured	Waste and actual costs of processing built into feed costs. Goals established for waste
Shrink		Not considered	Periodic checks of some feed shrink	Routinely monitored	Tracked at each opportunity
Cost of storage		Not considered	Use standard percentage of feed value	Storage costs calculated from published numbers	Feed costs include storage charges based on fixed and variable costs
Wet feed storage – quality control		Not considered	Moisture levels checked periodically	Discard spoiled feed. Monitor nutrient values from supplier	Written quality control targets. Visual inspection & routine analysis
Ground hay management, quality and loss control		Not considered	Try to consider feed quality/hay price tradeoffs	Try to minimize hay grinding losses. Have considered covered ground hay storage	Hay storage and grinding losses known and accounted for. Have established benchmarks
Grounds clean and rodents controlled		Not considered	Normal issues with cleanliness and pest control	Program in place for routine housekeeping and pest control	Grounds immaculate. Pests controlled

<b>Feed Additives</b>					
	<b>Score</b>	<b>None or Needs to Develop (1)</b>	<b>Improving (2)</b>	<b>Good (3)</b>	<b>Excellent (4)</b>
Performance increase versus cost of additive monitored		Not considered	Use most available and cheapest feed additive	Periodically evaluate cost/return of available feed additives	Established program based on cattle type, history and market goals
Level of additive fed monitored		No monitoring	Assume what's in the supplement is OK	Levels recalculated for each ration	Concentration and amount per day evaluated daily for each pen
Timing of additive		Not considered	Same for each pen	Periodic adjustments made for different cattle types or sources	Systematic plan for each pen based on expected outcomes/response
Meets market targets		Not considered	Check withdrawal times	Market considered with feed additive decisions	Plan developed for optimal response to terminal feed additives

<b>Implant System</b>					
Defined implant system for each cattle type		Use same implant program for all cattle	Different program for calves and yearlings	Grid premiums/discounts considered	Systematic implant protocol based on days on feed adjusted routinely for market signals
Employees trained on implanting (Quality Control)		Implanter evaluated on speed	Proper implanting discussed, but no formal training	Employees asked to review company literature	Training program in place
Evaluated against market target		Reimplant after X days on feed or not reimplanted	Different first implant for varying days on feed	Terminal implant evaluated first	Implant timing based on market date. Program based on market target

<b>Records and tracking</b>					
Pen closeouts		Not considered	Occasionally do a complete closeout	Have closeouts on file	Closeout on every pen, maintain database and review regularly
Daily tracking and monitoring of performance		Do not weigh or record feed delivered	Estimate feed delivery	Weigh and record daily feed delivery, but do not estimate cattle gain	Weigh and record daily feed delivery and use software to estimate cattle gain and performance
Feed inventory -cost and waste control purchase decisions		Do not record or monitor feed inventory	Spot check purchases for shrinkage	Reconcile feed purchases and inventories annually	Monitor feed purchases and waste monthly to adjust billing or cost of feed.
Health management and drug Inventories		Do not record or monitor drug inventory	Monitor drug inventory according to BQA guidelines	Have animal health plan but do not monitor product use and inventory	Follow health plan developed by vet. Monitor product inventory. Evaluate effectiveness annually.
Non-feed cost monitored		Do not calculate	Use suggested values	Calculated using own feedlot figures & suggested values	Calculate and adjust annually using feedlot figures
Benchmarking of records to evaluate competitiveness		Do not have records	Have records and compare my records to others in the media	Have standardized calculations but do not compare to others.	Belong to benchmarking program and use standardized calculations
Records readily available and used to make decisions		Do not have records	Have some records, but not used.	Have records on file, but do not routinely use in decision process	Maintain database and review regularly

## Budgeting and Purchase Costs

	Score	None or Needs to Develop (1)	Improving (2)	Good (3)	Excellent (4)
Evaluate purchase decisions		Only look at cash outlay	Focus on annual costs and return to farm.	Only consider impact on cash cost	Consider in terms of variable and fixed costs potential profit
Risk management		Do not consider	Have knowledge of tools, but don't believe they payoff often enough	Have used risk tools on cattle	Have skills and experience with using risk tools for cattle and feed
Cattle availability		Do not have a buying plan	Work with trusted order buyer on the type and price of cattle you want	Have select suppliers that you will consider	Have contacts in several markets across US. Know performance and freight to estimate bid price by region or type
Health assessment and program		Do not consider	Try to buy vaccinated cattle	Buy mostly pre-conditioned calves or vaccinated yearlings	Follow prescribed preconditioning program for cattle before they arrive at the yard
Different weights and types of cattle evaluated		Do not consider	Only feed one type of cattle.	Can run projections for different types of cattle.	Have database of how cattle of different weight and sex perform in yard and bid accordingly.

## Cattle Marketing

	Score	None or Needs to Develop (1)	Improving (2)	Good (3)	Excellent (4)
Cost of gain and breakeven continually monitored		Not considered	Sell when the cattle are ready and calculate returns later	Have projected marketing date and breakeven	Have projected breakeven and marketing date/weight. Monitor cattle, intakes, and COG closely as date approaches
Grid marketing		Do not sell on grid	Some grid data from cattle	Experienced with sorting cattle and understand grid marketing	Have database of grid premiums by type of cattle and feeding program
Number of bids available		Always sell the same way	Have sold to more than one buyer in last year	Four or more buyers a year buy from the yard	Four or more buyers a month buy from the yard.
Feeding and sorting skills		Do not evaluate	More than 15% out cattle	60% Choice or better, 60% Y1&2 and less than 10% out cattle	70% Choice or better, 70% Y1&2 and less than 10% out cattle

<b>Improve cattle comfort- facilities</b>					
	<b>Score</b>	<b>None or Needs to Develop (1)</b>	<b>Improving (2)</b>	<b>Good (3)</b>	<b>Excellent (4)</b>
Provide windbreaks or shelter		None	Some, but likely inadequate	Effect of wind significantly reduced	Wind effect eliminated
Provide shade or sprinklers		None	Access to sprinkler	Shade provided, <20 ft <sup>2</sup>	Shade or shelter, >20 ft <sup>2</sup>
High and dry traffic patterns		Problem areas exist in most pens	One or more areas (feeding, resting, water) have access issues during wet conditions in many pens	Good traffic patterns, but some improvements could be made	Cattle stay clean and dry in all pens
% of time during year with mud greater than 2 in		More than one month	2-4 weeks	Less than 2 weeks	Never
Pen maintenance		Once per year or less	Once after pen is marketed	At least 2-3 times for each pen	Weekly scraping of apron and dirt lots if weather allows
Pen density		Not known	Pen density is the minimum book value	Pen density is the maximum book value	Pen density is calculated and adjusted for animal type and size
Bedding provided		None	Only when weather is to become severe	Bedding occasionally provided	Bedding is supplied regularly to keep cattle clean and dry. Cattle are scored for mud and manure.
Management of the solids settling system		No management	The picket fence is checked and released when the system is full. Solids are removed seasonally.	The picket fence is opened within several days. Solids are removed as soon as possible.	The picket fence is opened within 24 hours after a rainfall event.. Solids are removed as soon as possible.