

# Current Inventory Value of SAE Projects

**Purpose:** *This guide outlines the current inventory value of entrepreneurship SAE projects and how the values are transferred to FFA award applications. Only entrepreneurship SAEs develop current inventory values.*

## Step 1 – Defining Current Inventory

- A. Represent (a) items for sale or (b) items that are planned to be used/sold within one-year or the normal operating cycle of the business.
- B. The value of items is represented by the items (a) cost value or a (b) base value/conservative market value.

Examples include:

- ✓ Un-weaned or unsold market livestock
- ✓ Un-sold grain or crop
- ✓ Remaining SAE related supplies that have a resale value

## Value A – AET Determined Current Project Value

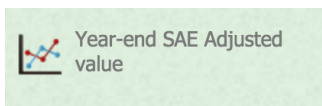
The automatic AET project value is equal to the invested cost in a project, which is the cost minus revenue.

Edit, Plan & Review	SAE Type	Project Name	# Finance	# Journal	Project Value
	EN - Beef	08 Show steers 2015	7	0	\$2,736.00

- ✓ This example value represents the cost of \$2,736 from 7 financial transactions.
- ✓ Market animals and other terminal projects should be divided into separate projects to easily track cost.
- ✓ Once a project is complete, the project is made inactive to complete the project

## Value B – Adjusted Project Value

Some projects are continuous, such as breeding animal project or have items that were purchased, but not automatically captured in AET's cost value of the project. An adjusted value can be entered using the FINANCES and Year-End SAE Adjusted Value menu (below).



- ✓ Annually define the value of a project
- ✓ Focus on the most recent ending year (Dec. 31<sup>st</sup>)
- ✓ Justify the value using the narrative text

## Step 2 – Review in FFA Award Applications (Ending Current Inventory)

- ✓ If applicable, provide a "detail" to better describe each item value of current inventory
- ✓ If the value is not descriptive, review option A or B in the record book