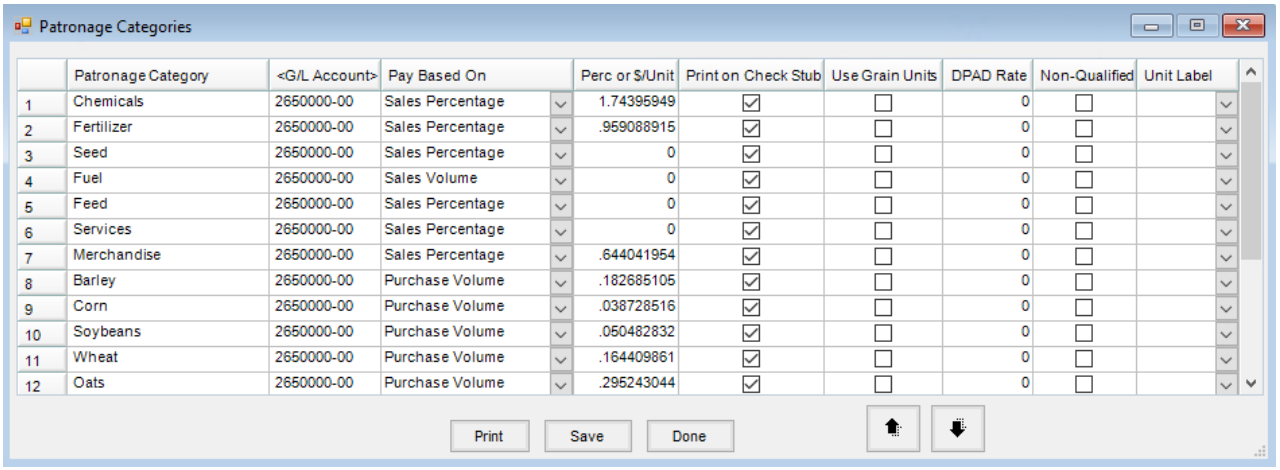
Patronage Categories

Last Modified on 10/23/2025 10:04 am CDT

Patronage Categories are set up at *Setup / Patronage Categories*. This screen is used to define up to 50 categories (such as Chemicals, Fertilizer, Corn Purchases, etc.) on which the co-op intends to base its Patronage disbursements.



	Patronage Category	<G/L Account>	Pay Based On	Perc or $/Unit	Print on Check Stub	Use Grain Units	DPAD Rate	Non-Qualified	Unit Label
1	Chemicals	2650000-00	Sales Percentage	1.74395949	☑	☐	0	☐	
2	Fertilizer	2650000-00	Sales Percentage	.959088915	☑	☐	0	☐	
3	Seed	2650000-00	Sales Percentage	0	☑	☐	0	☐	
4	Fuel	2650000-00	Sales Volume	0	☑	☐	0	☐	
5	Feed	2650000-00	Sales Percentage	0	☑	☐	0	☐	
6	Services	2650000-00	Sales Percentage	0	☑	☐	0	☐	
7	Merchandise	2650000-00	Sales Percentage	.644041954	☑	☐	0	☐	
8	Barley	2650000-00	Purchase Volume	.182685105	☑	☐	0	☐	
9	Corn	2650000-00	Purchase Volume	.038728516	☑	☐	0	☐	
10	Soybeans	2650000-00	Purchase Volume	.050482832	☑	☐	0	☐	
11	Wheat	2650000-00	Purchase Volume	.164409861	☑	☐	0	☐	
12	Oats	2650000-00	Purchase Volume	.295243044	☑	☐	0	☐	

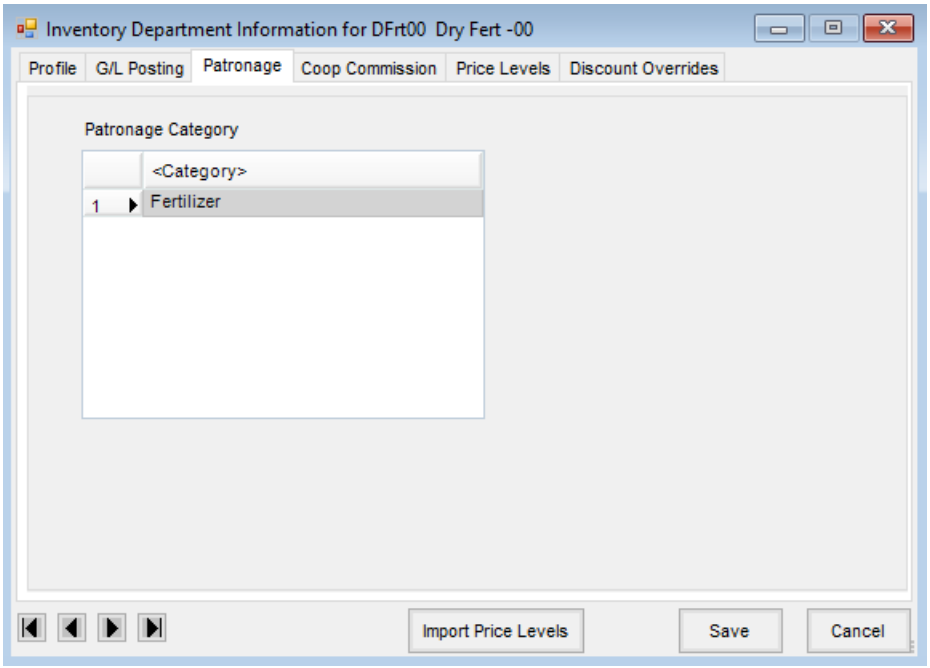
- **Patronage Category** – Assign a name to the *Patronage Category* (30-character maximum).
- **G/L Account** – Assign a General Ledger Account to the *Patronage Category* established in the first column. Enter the *G/L Account ID* or select (by double-clicking) from the *Select a G/L Account* list. This G/L Account is the account where the Patronage Category posts (often either an expense or liability account).
- **Pay Based On** – Select one of the four available options: *Sales Percentage*, *Sales Volume*, *Purchase Percentage*, and *Purchase Volume*. This is used to determine whether transaction dollars (*Sales* or *Purchase Percentage*) or transaction quantities (*Sales* or *Purchase Volume*) are the basis for the calculation of the Patronage payment for that specific category.

  Note: Settlement Deduction categories must have the pay based on *Purchase Percentage*.
- **Perc or $/Unit** – This numeric text field is defined based on the selection in the *Pay Based On* column. If the previous column shows *Percentage*, the number entered in the *Perc or $/Unit* column will be a percentage. The percentage is entered with an implied two decimals. A two percent number would be entered as *2* and not *.02*. If the previous column shows *Volume*, the number entered in the *Perc or $/Unit* column will be a dollar per unit amount. Two dollars and thirty-five cents per pound is entered as *2.35*.
- **Print on Check Stub** – Select this option if this Patronage Category is to be included on the stub of the Pay Detail Patronage Checks.
- **Use Grain Units** – This option allows the grain units to be used instead of Billing Units when capturing patronage totals.
- **DPAD Rate** – Enter the DPAD rate here to be used in the calculations on the Domestic Production report.
- **Non-Qualified** – Select this option when the category will be deferred to a non-qualified Stock Class.

- **Unit Label** – For categories paid out based on volume, a label may be entered for the volume. This label prints on the Patronage Check and the Pre-Check Run Report.
- **Print** – This prints a *Patronage Category Reference List* which displays all the information entered at the *Patronage Categories* window.
- **Arrows** – Select to change the order of the Patronage Categories. The order the categories display in this grid is also the order they print on the Patronage check stubs. To change the order, select the line by choosing the line number, and then select the **Up** or **Down** arrows to move the selected line in that direction.

Linking Inventory Departments to Patronage Categories

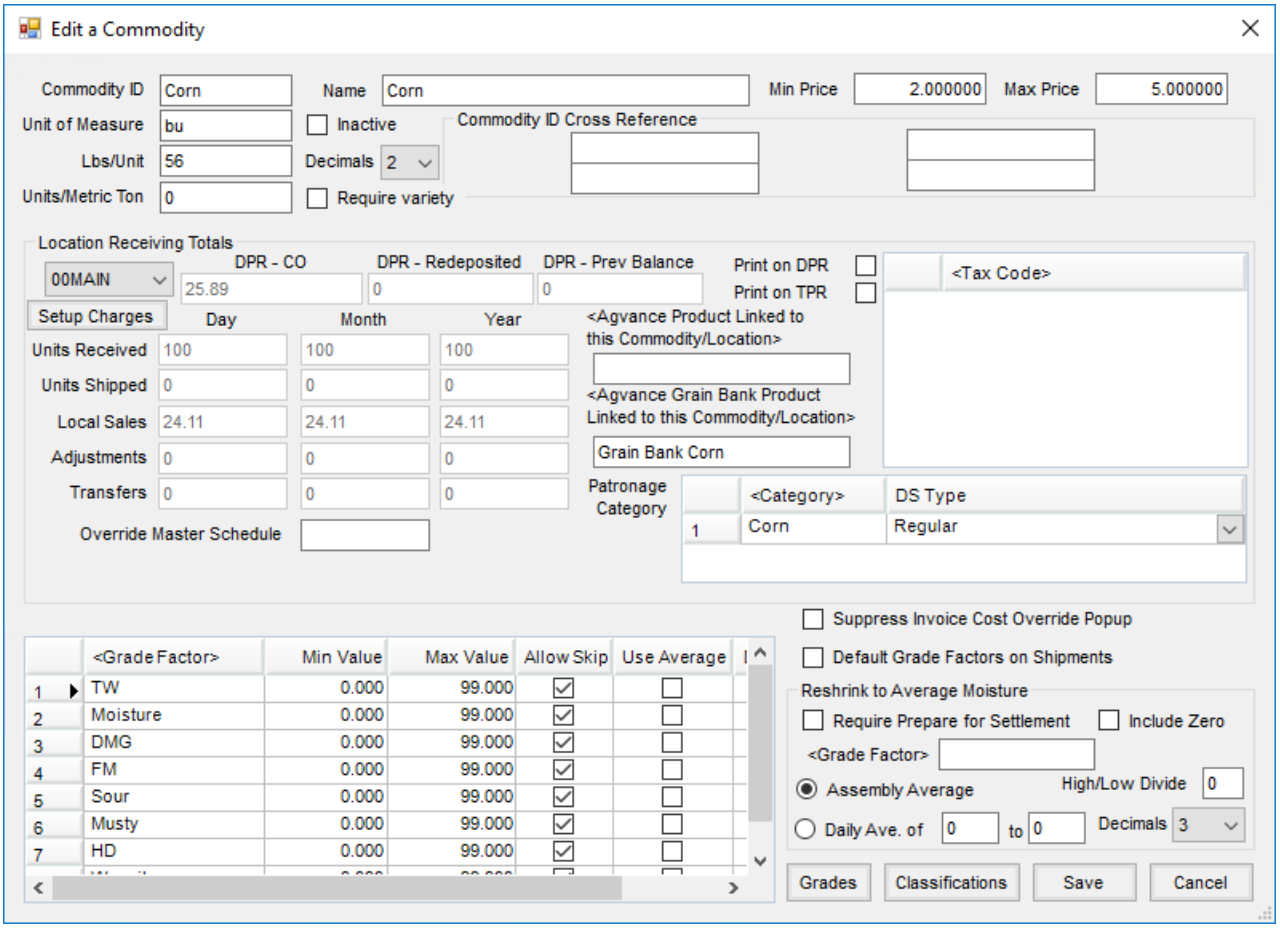
The Departments related to the specific Patronage Categories must be identified in the Accounting module at *Setup / Inventory Departments*. On the Department's *Patronage* tab, the Patronage Category is selected by double-clicking *Category* and selecting the category or categories from the list. More than one category may be selected for companies paying multiple rates. The Patronage Categories must be set up at *Patronage / Setup / Patronage Categories* before this tab may be completed.



Linking a Commodity to a Patronage Category

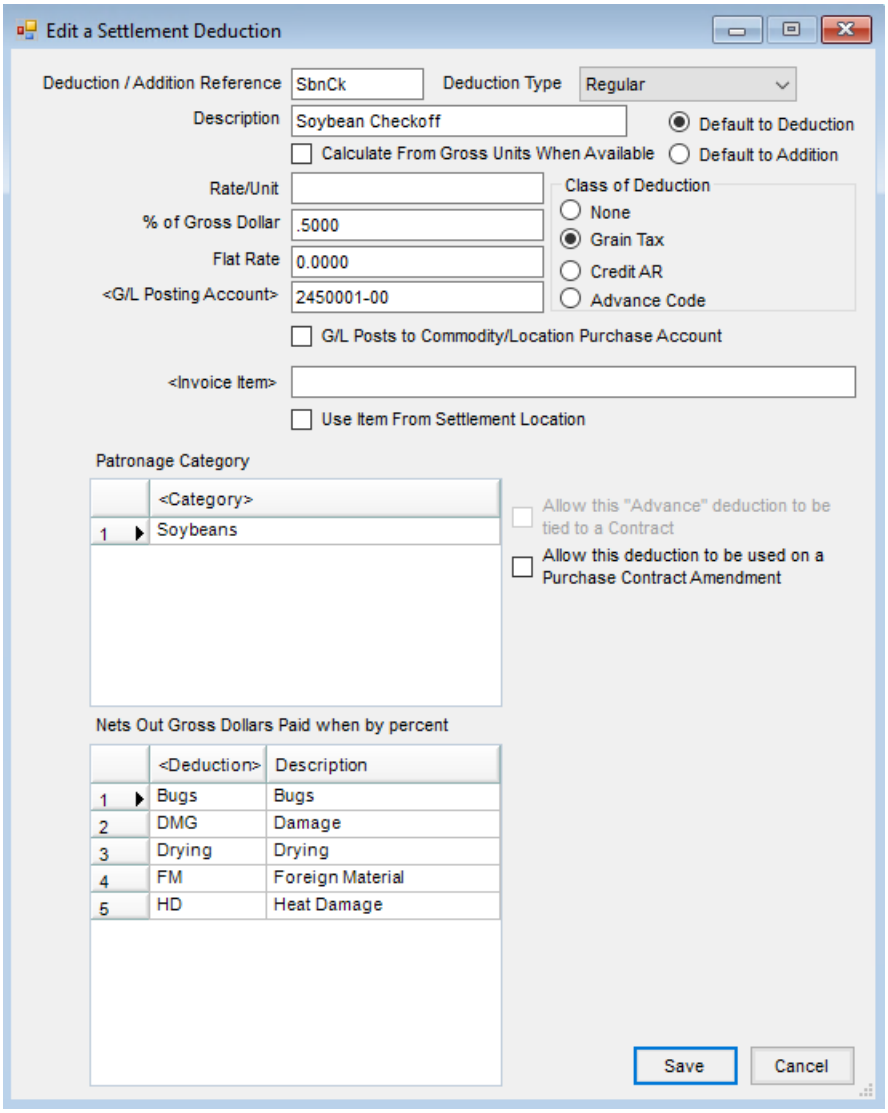
Commodities involved in Patronage Payout must be linked to the corresponding Patronage Category at *Grain / Setup / Commodities*. The Patronage Category is selected by double-clicking on *Category* and selecting the category or categories from the list. More than one category may be selected for companies paying multiple rates. The Patronage Category must be setup at *Patronage / Setup / Patronage Categories* for each location to be included in the patronage payout for the commodity.

Note: *DS Type* relates to Direct Shipments. If paying different rates based on Direct Shipment status, the category must be selected more than once.



Linking Settlement Deductions to a Patronage Category

Settlement Deductions to be included in Patronage payouts must be linked to the corresponding Patronage Category at *Grain / Setup / Settlement Deductions*. The Patronage Category is selected by double-clicking *Category* and selecting the Category or Categories from the list. More than one Category can be selected for companies paying multiple rates.


Edit a Settlement Deduction
Deduction / Addition Reference
SbnCk
Deduction Type
Regular
Description
Soybean Checkoff
Default to Deduction
Calculate From Gross Units When Available
Default to Addition
Rate/Unit
% of Gross Dollar
.5000
Flat Rate
0.0000
<G/L Posting Account>
2450001-00
Class of Deduction
None
Grain Tax
Credit AR
Advance Code
G/L Posts to Commodity/Location Purchase Account
<Invoice Item>
Use Item From Settlement Location
Patronage Category
<Category>
1
Soybeans
Allow this "Advance" deduction to be tied to a Contract
Allow this deduction to be used on a Purchase Contract Amendment
Nets Out Gross Dollars Paid when by percent
<Deduction>
Description
1 Bugs Bugs
2 DMG Damage
3 Drying Drying
4 FM Foreign Material
5 HD Heat Damage
Save
Cancel