Agvance Grain Bank Shipments, Service Charges, and Reconciliation Process

Last Modified on 01/10/2023 1:53 pm CST

Q. How are Grain Bank charges handled?

A. Elevator grain storage policies determine how Grain Bank Service Charges are handled. The following example demonstrates how the Grain Bank Service Charges may be set up in Agvance to charge storage on customer's Grain Bank balances at the beginning or end of the month.

Monthly service charges require a *Storage and Service Schedule* be set up with *Rates* defined as a specific day of the month. This example is set up to be three cents on the balance charged on the first day of each month.

All Grain Bank Assemblies and Grain Bank Settlements to be service charged require the *GBMonthly* charge schedule be assigned to them.

The Grain Bank Settlements can automatically have the charge schedule assigned. On the *Grain / Setup / Commodities* window, edit a commodity, and click the **Setup Charges** button. Select the *GBMonthly Charge Schedule* for the *Grain Bank DPR Category*.

Assemblies may be set to warn if missing a *Charge ID*. The *Warn if Assembly has a missing Charge ID* option is found at *Grain / Setup / Grain Ledger G/L Posting Accounts*.

If Grain Bank charges are to be invoiced monthly on month end Grain Bank balances, reconcile the Grain Bank Shipments prior to invoicing Service Charges at *Grain / Utilities / Invoice Storage and Service Charges*. If charges are to be invoiced on the beginning of the month Grain Bank balance, then Invoice the charges prior to Grain Bank Reconciliation.

Why Invoice on Grain Bank Ending (Beginning) Month Balances?

- Invoicing the balances simplifies the service charges calculation.
- It is easy to explain (i.e. the balance at the end of the month is 1100 bu. X $0.03=$33.00).
- It does not require daily Grain Bank Shipment reconciliation.

What Are the Concerns of Invoicing Grain Bank Charges on Month End (Beginning) Balances?

The main issue is when the Grain Bank balances were removed, the running balance does not display a true daily charge.

What about a Charge on a Daily Grain Bank Balance?

This can be done by setting up a Grain Bank Service Schedule with a daily rate instead of a rate that is charged one day. With this schedule assigned to the Grain Bank Assemblies and Grain Bank Settlements, reconciling Grain Bank Shipments each day will result in an Invoice accurately calculating the service charges for the invoiced Grain Bank products on the day they left the elevator.
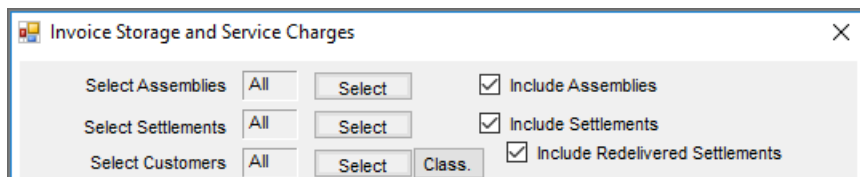
Additionally, the open Grain Bank balances at the end (beginning) of the month must also be invoiced using the utility at *Grain / Utilities / Invoice Storage and Service Charges*.

What If It Is Not Necessary to Invoice Grain Bank Charges Each Time a Settlement to Redelivery is Done?

All storage charges from reconciled Grain Bank Shipments may be rolled up into the end of the month process of invoicing Grain Bank Storage Charges. To Invoice the accumulated charges out using the *Invoice Storage and Service Charges* utility, the Redelivered Settlement must have a charge schedule attached to it. The schedule assigned to the Redelivered Settlements should not be used for any other Settlements. The schedule should not have any in charge values or a daily rate.

The Redelivered Settlements can automatically have the charge schedule assigned under *Grain / Setup / Commodities*. Click the **Setup Charges** button, and select the appropriate *Charge Schedule* for the *Redelivered DPR Category*.

When running the *Invoice Storage and Service Charges* utility, select the *Include Redelivered Settlements* option.