PRODUCER PAYROLL

Simplify milk receiving with a quality control and tracking system native in Microsoft Dynamics® AX, designed for complex producer payroll functions

Key benefits
- Eliminate manual tracking and data collection through spreadsheets
- Automatic integration with accounts payable
- Complete solution built into, not bolted onto Microsoft Dynamics AX
- Single solution especially designed for complex producer payroll functions

Tracking the complexities of milk receiving, quality characteristics, as well as calculating the payment of producers or what the milk is used for in manual spreadsheets can be time consuming. Updates to one spreadsheet are not automatically reflected in the others and none of the data is automatically available to accounts payable.

RSM US LLP’s Producer Payroll module is an automated solution, built into Microsoft Dynamics AX and integrated with accounts payable. You can automatically track transactions to record both inventory and accruals to the general ledger. This solution is available as singular module or as part of the comprehensive JunctionFB™ for Dairy solution.

Producer payroll features

Milk receiving
- **Automatic tag generation and weight validation** — Producer Payroll provides a milk ticket for each milk truck that comes in and a unique ID for each load. Information such as the hauler, driver and license number, farm zone, route, item number stick readings, weight, temperature, potencies and lab tests are recorded. This solution also records if the truck is washing or not and automatically generates tags for receipt and washing through the optional PLC integration. Actual weight received is validated against the ticket weight to catch any possible errors.
- **Quality control** — Automated quality control functionality prevents milk from being received until lab tests are completed and recorded as pass or fail. If the load fails, the receiver will not be able to start pumping and will be prompted to see the lab. If the load passes, the system will give the green light for unloading or automatically start the unloading process via an optional PLC integration.
- **Automatic recording into the general ledger** — When the milk is received, the transaction is generated to record both inventory and accruals in the general ledger.
Diverted loads

- **Simplified tracking** — Producer Payroll enables users to automate tracking of who the milk inventory was diverted to, how much was received and what it is being used for. Qualifying facilities can also designate a load in milk receiving as a qualifying load and what load was traded for it.

Additional RSM Producer Payroll features include, but are not limited to:

- **Expenses**
  Various types of expenses, including hauler fees, advertising costs, milk testing kits or loan payments can be entered into the system. Expenses can be set to be paid as an advance, as a final settlement or both. The system can also calculate on receipt, diverted load or all.

- **Deductions**
  Producer Payroll can be set up in the same manner as expenses to be deducted from a producer’s paycheck. The system can include information on which deductions will be completely taken out of the producer’s paycheck and which are subsidized by the dairy.

- **Monthly quality premium**
  The native quality control system keeps track of each load’s quality parameters. The system can be set up to calculate a bonus or a penalty based on the quality of the milk as determined by lab testing.

- **Bonus**
  End users can set up a yearly premium amount based on specific bonus criteria, such as the number of months a producer delivers high-quality milk and how many years of service they have with the co-op. Disqualification criteria can also be specified.

- **Advanced payments**
  Accounts payable can run a batch job to create a vendor invoice journal to credit the producer accounts based on a specified advance rate, taking into account any deductions that will be applied.

- **Final payment**
  Producer Payroll calculates the total amount owed to the producers based on the final milk prices released by the MMA. Premiums and deductions are applied and advances are deducted from the final amount.

- **Fee management for producers associated to more than one farm**
  Should a producer in the system be associated with more than one farm, Producer Payroll can recognize it and not charge the same producer a duplicate fee.

- **Milk balancing report to another co-op**
  Track reports from other co-ops on how much milk was received from or sent to another co-op to determine the actual amount paid out.

- **Singular vendor payment, multiple producer tracking**
  Producer Payroll tracks the breakdown of milk from an outside co-op by each farmer within that co-op and issues only one check to the co-op’s vendor account rather than multiple individual payments.