

How to Process Dividends

Pre-requisite:

- [Stock Classification](#)
- [Issued Stocks](#)
- [Setup FWT](#)
- [Preferences](#)

Steps:

1. From the menu screen, go to Patronage > Dividends.
2. Click New from the Search screen toolbar.
3. Select a Fiscal year to process. After selecting a fiscal year, the system will calculate dividends for each issued stock. Stocks that were issued on or before the selected year will be included in the dividend calculation.
 - a. Level 1 Grid shows the total dividends calculated for a customer:
 - i. Customer No
 - ii. Customer Name
 - iii. Stock Status
 - iv. Last Activity
 - v. Dividend Amount – the total dividends computed for a customer
 - vi. Less FWT – Dividend Amount x Fed. Withholding %
 - vii. Check Amount – the actual amount to be vouchered. (Dividend Amount - Less FWT)

Report	View	Filter (F3)						
<input type="checkbox"/>	Customer No.	Customer Name	Stock Status	Last Activity	Tax ID	Dividend Amount	Less FWT	Check Amount
<input checked="" type="checkbox"/>	0001005008	Archer Daniels Midland	Voting			442.00000	0.00000	442.00000
<input type="checkbox"/>	0001005076	Adept	Voting	6/22/2017		1,174.00000	117.40000	1,056.60000
<input type="checkbox"/>	0001005135	Joe Ag	Voting	7/17/2017		912.00000	0.00000	912.00000

- b. Level 2 grid shows the details of the calculated dividends for a customer
 - i. Stock Name
 - ii. Certificate Number – certificate number of the Issued stock
 - iii. Par Value – value of the stock name
 - iv. No. of Shares – shares qty of the stock
 - v. Dividend per Share – quantity of dividend per share of the stock name
 - vi. Dividend Amount – the dividend computed for the specific stock
 1. If Prorate Dividends is unchecked – $((\text{No of Share} \times \text{Dividends Per Share}) / 365) \times \text{Processed Days}$
 2. If Prorate Dividends is unchecked and Cutoff Date is entered – $((\text{No of Share} \times \text{Dividends Per Share}) / 365) \times (\text{Processing Period To} - \text{Stock Issue Date})$

Report	View	Filter (F3)					
<input type="checkbox"/>	Stock Name	Certificate Number	Par Value	No. of Shares	Dividend per Share	Dividend Amount	
<input type="checkbox"/>	B Shares	PCRT-5	2,000.00	17.00 26		442.00000	

4. Click Save.
5. If successfully saved, click Post. GL entries will be created.
6. To create vouchers, select records from the grid. Then click 'Voucher' from the toolbar.

Important Notes:

- Unposting the transaction will reverse GL entries. However, if there are already vouchered dividends, unposting is not allowed.
- Only the Stocks with 'Open' Activity status will be calculated for dividends.