REQUISITIONS – When do I use Commodity Level Accounting?

When creating a requisition for Capital Purchases over $5,000 (using account codes 791XXX), you should use Commodity Level Accounting ONLY when you are combining fixed asset items and non-fixed asset items on a requisition. To choose COMMODITY level accounting rather than DOCUMENT level accounting, uncheck the Document Level Accounting box.

With commodity level accounting you assign specific accounting to each commodity (line item) on the requisition. That way you assign the fixed asset accounting to the fixed asset item and the general accounting to the other items. Otherwise document accounting “shares” the accounting distributions among the commodities which then causes problems when property control assigns a tag and amount to your fixed assets.

You normally receive a warning when trying to mix and match fixed asset accounts and non-fixed asset accounts in a requisition using document level accounting. Please note the warning and uncheck the document level accounting box before completing the requisition. If Purchasing or Property Control discovers this error before the purchase order is processed, you will be required to delete and re-enter the requisition.