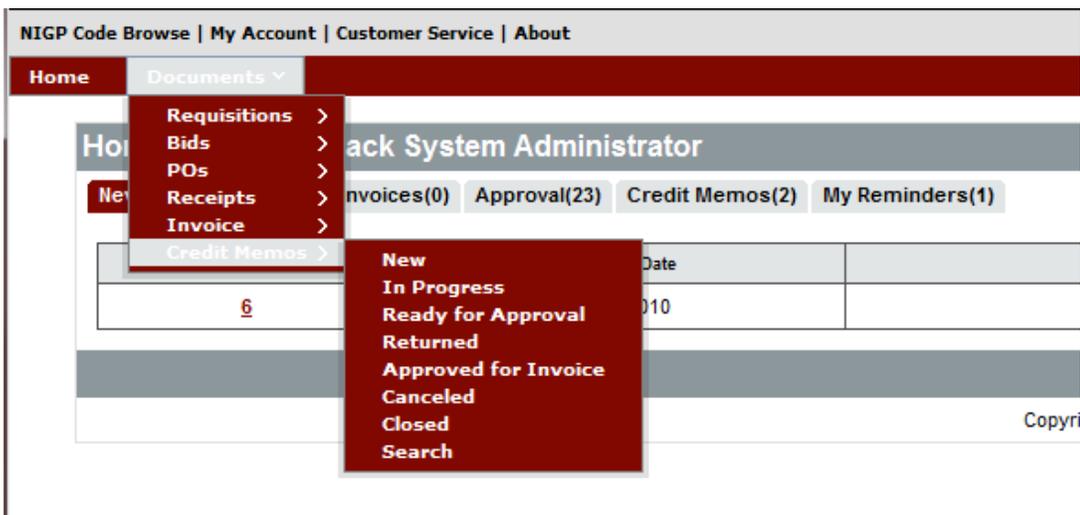


## Credit Memos

Credit Memos are a new document type available to Accounts Payable users in ProcureAZ version 10.0. The Credit Memo provides an in-system method to account for credits issued by vendors. While Invoices and Receipts are associated with a specific Purchase Order, a Credit Memo is a distinct document that is not directly associated with a PO document.

### Finding Credit Memos

You must be in the Accounts Payable role in order to see or create Credit Memos. Advanced Search is available for Credit Memos, simply choose the Credit Memo option from the document dropdown after entering the Advanced Search page. The more direct method to find Credit Memos is through the Documents menu near the top left of any page:



This dropdown allows you to search directly for Credit Memos in any of the listed statuses, or to select Search and be taken to the Advanced Search page where you may search on other fields.

### Creating a Credit Memo

As above, you will use the Documents menu to select New, bringing you immediately to the first page of the Credit Memo. You are required to enter information for the fields marked with an asterisk and save this page before the Credit Memo is assigned a document number and saved as an in progress document. You will enter a description, date, department, location, and the vendor that has issued the credit.

### Adding Items

The items tab of a credit memo is flexible, and need not tie directly to an item on a PO. If the vendor is giving credit for many items, you can assign it to the Credit Memo as one large credit, or you can break it up into many individual credits. You will enter a description, select a reason code, and then enter quantity, unit cost, and tax information.

Unit cost will be the amount of the credit, not the adjusted amount of an item after the credit is applied. If the vendor has given you a \$60 per item credit, \$60 is what you will enter here.

## Vendor and Address Tabs

The vendor tab populates with information from the vendor that you selected on the first page. Nothing else truly requires action on this tab. However, if you wish, you do have the option to select among any different addresses the vendor may have set up.

The address tab should also not require any action, having populated with information from the department and location you selected on the first page. You do have the option to select among other addresses associated with your department if you desire.

## Accounting

Accounting information is required on a Credit Memo in order to apply the credits to the correct accounts. As in any other document with accounting, you simply enter the correct account code and save. You have the option to adjust the distribution by either percentage or dollar amount. When you have completed adding accounts and have saved, push the Rebuild for All Items button to apply the accounting to all of your credits.

If you need to apply separate accounting information to each item, you can do this by returning to the Items tab, and then selecting the Accounting tab below Items:

Credit Memo CM0000000108

General Items Vendor Address Accounting Routing Attachments Notes Reminders Summary

General Accounting Notes

Account Validation Errors

- Accounting distribution is missing and required.

Item #	(Account Distribution)Ite
1	(0.0% Less than 100% ) Broken Computer

Delete Selected

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Click the number of the item you wish to enter accounting for, and you will enter a screen identical to the primary accounting tab. The only difference is that the accounting entered here will apply only to the selected item.

## Other

Similar to other documents, the Credit Memo has tabs that allow you to view the approval paths that apply, add attachments, enter notes visible to yourself and other AP users, and enter reminders. All of these tabs are optional, and require nothing from you unless you wish.

## Submitting a Credit Memo

When you finish entering any notes, reminders, etc, go to the Summary tab. The Summary tab is where you can review all the information entered so far, and choose to Submit for Approval, Clone, Cancel or Print the document.

Canceling is self-explanatory. It will shift the Credit Memo to canceled status with no credit applied to the accounts. Cloning will create a new document identical to the current one that you can use as is or edit as needed.

To move the Credit Memo onward, select Submit for Approval. If any approval paths apply, they display on the next screen, otherwise you have the option to manually add approvers or approve automatically. Whether you approve automatically or submit for approval, this is the final step required by you. Any approvers you selected will need to approve the document, but once done, the Credit Memo is complete and the system will apply it to the accounts you selected.

## Applying a Credit Memo

When the Accounts Payable user creates an invoice, if there are any credit memos from that vendor in Approved for Invoice status, then they will appear on the Credits tab of the invoice in progress.

To apply the entire credit memo to the invoice choose the check box in the left hand column next to the desired credit memo and click Save and Continue.

Invoice #: 5-24 INV 1 Vendor #:00000141 Vendor Group #:01 Status: 411 - In Progress

General Items **Credits** Subcontractors Accounts Routing Attachments Notes Reminder Change Order Summary [Back to PO](#)

**Credit Captured to Invoice**

Delete All <input type="checkbox"/>	Credit Memo #	Description	Credit Memo Date	Credit Memo Owner	Total
<input type="button" value="Save &amp; Continue"/>					

**Credit Memo Selection**

Include All <input type="checkbox"/>	Credit Memo #	Description	Credit Memo Date	Credit Memo Owner	Total
<input type="checkbox"/>	CM0000000004	credit from SidHal	2012-05-22 00:00:00.0	BUYSPEED	\$75.00
<input type="button" value="Save &amp; Continue"/>					

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To apply a portion of the credit memo to the invoice, click the '+' icon to expand the details of the credit memo. Modify the amount in the Amount to Take column as desired. NOTE: you will not be able to apply a credit greater than the amount of the invoice.

Invoice #: 5-24 INV 1 Vendor #:00000141 Vendor Group #:01 Status: 4II - In Progress

General Items **Credits** Subcontractors Accounts Routing Attachments Notes Reminder Change Order Summary [Back to PO](#)

**Credit Captured to Invoice**

Delete All <input type="checkbox"/>	Credit Memo #	Description	Credit Memo Date	Credit Memo Owner	Total
<input type="button" value="Save &amp; Continue"/>					

**Credit Memo Selection**

Include All <input type="checkbox"/>	Credit Memo #	Description	Credit Memo Date	Credit Memo Owner	Total
<input type="checkbox"/>	CM0000000004	credit from SidHal	2012-05-22 00:00:00.0	BUYSPEED	\$75.00

Select	Item #	Description	Account Code	Quantity	Unit Cost	UOM	Tax Amount	Total Amount	Available Amount	Amount To Take
<input checked="" type="checkbox"/>	1.0	refund of overcharge	10-000-0000-1615	1.0	\$75.00	EA	\$0.00	\$75.00	\$75.00	75.00

Click Save & Continue

The amount of the credit memo that is applied to this invoice will now be displayed in the Credit Captured to Invoice section

Invoice #: 5-24 INV 1 Vendor #:00000141 Vendor Group #:01 Status: 4II - In Progress

General Items **Credits** Subcontractors Accounts Routing Attachments Notes Reminder Change Order Summary [Back to PO](#)

**Credit Captured to Invoice**

Delete All <input type="checkbox"/>	Credit Memo #	Description	Credit Memo Date	Credit Memo Owner	Total
<input checked="" type="checkbox"/>	CM0000000004	credit from SidHal	2012-05-22 00:00:00.0	BUYSPEED	\$75.00

And will also appear on the Summary tab of the invoice

**Header Information**

<b>Invoice Number:</b> 5-24 INV 1	<b>Invoice Status:</b> 4II - In Progress	<b>Invoice Type:</b> 3 way matching
<b>Invoice Description:</b> invoice 1	<b>Invoice Date:</b> 05/24/2012	<b>Effect Date:</b> 05/24/2012
<b>Payment Amount:</b> \$422.90	<b>Handling Code:</b>	<b>Payment Date:</b> 06/18/2012
<b>Payment Terms:</b> Net 30	<b>Payment Term Day:</b> 0	<b>Payment Discount:</b> 0.0%
<b>Paid-Bank/Check:</b>	<b>Alternate Id:</b>	
<b>Entered By:</b> Administrator System	<b>Entered Date:</b> 05/24/2012	
<b>Credit Amount:</b> \$75.00	<b>Updated Date:</b> 05/24/2012	
<b>Updated By:</b> Administrator System		
<b>Work Order Number:</b>		
<b>Project Name:</b>		
<b>Single Check Indicator:</b> No		
<b>Emergency Check Number:</b>		
<b>1099 Box Override:</b>		
<b>Invoice Hold Reason:</b>		

**Purchase Order Information**

<b>Purchase order Number:</b> PO-11-AGENCY-00001:221	<b>PO Description:</b> test c/o approval path
<b>PO Amount:</b> \$1,425.70	<b>Remaining To Invoice:</b> \$1,425.70
	<b>Buyer:</b> Carrie Munich

Continue processing the Invoice completing all supporting tabs and submitting for approval when finished. The final total of the invoice will be reduced by the amount of the credit.