SedonaOffice

Consolidated Customer Refund Check

CONTENTS

This guide is being provided to explain how to create a single customer refund check from one or more unapplied credits, unapplied cash or advance deposit records.

This document is divided into two sections: Setup and The Process. Please read this document in its entirety before performing this process.

Consolidated Customer Refund Check Overview

When creating a Customer Refund check, the software is designed so that each unapplied item must be a separate refund check. If you have more than one unapplied item that you want to refund to the customer on a check, then each unapplied item will have to be a separate check.

If you want to provide a refund check to a customer using multiples of a particular unapplied payment type or a combination of unapplied payment types, this document will guide you through this process.

Basically, you will transfer the unapplied items into a miscellaneous G/L Account and then create a credit memo for the total amount for which you want to create the refund check.

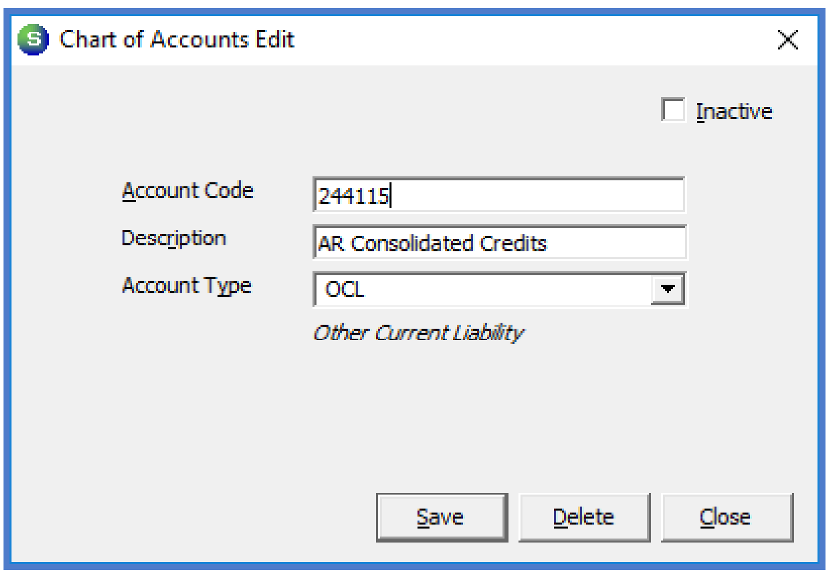
Setup

Before transferring unapplied amounts to a refund check, three setups must be created. Follow the instructions for each setup below and on the following pages.

- G/L Account
- Invoice Item
- Credit Reason

G/L Account Setup

Create a new G/L account for the purpose of moving unapplied cash, credits or advanced deposits into a "Holding Account".   This account is setup as OCL – Other current Liability. If the user completes the process correctly, the balance in this account should always be zero.

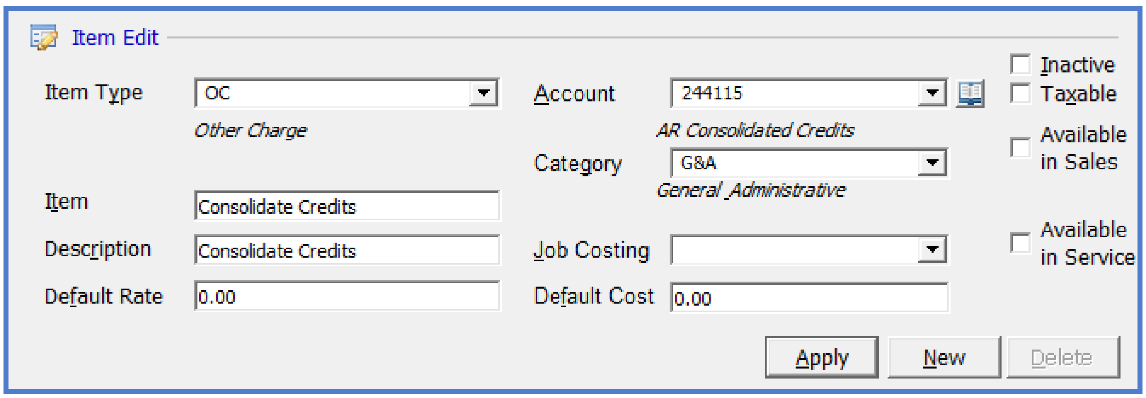


Invoice Item Setup

Create an Invoice Item that will be used to create a credit memo and the customer refund check.

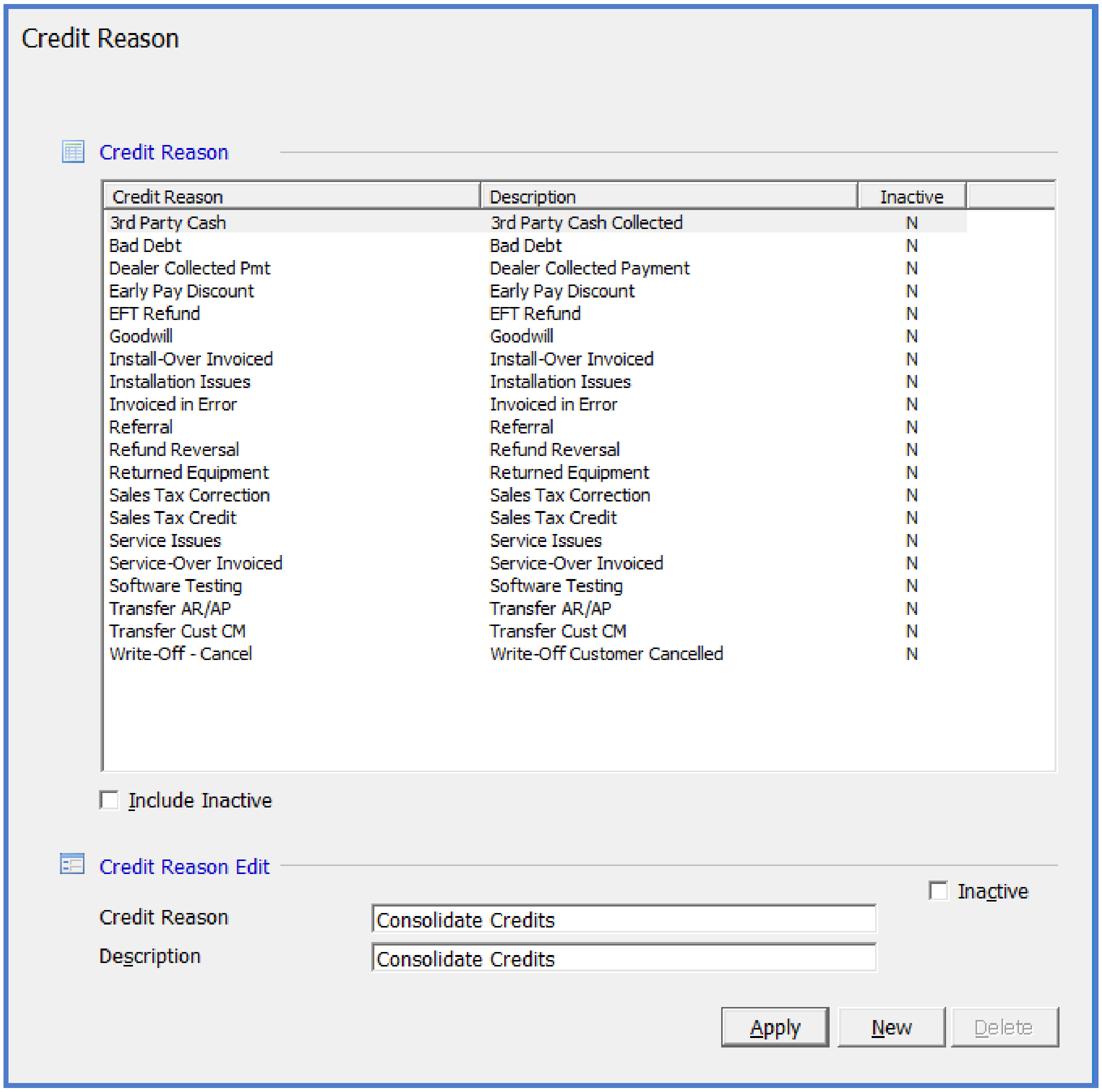
Key Fields:

- Item Type – set to OC.
- Account – select the GL Account created on the previous page.
- Category – Typically G&A.
- Taxable – Uncheck this box.
- Available in Sales – Uncheck this box.
- Available in Service – Uncheck this box.



Credit Reason Setup

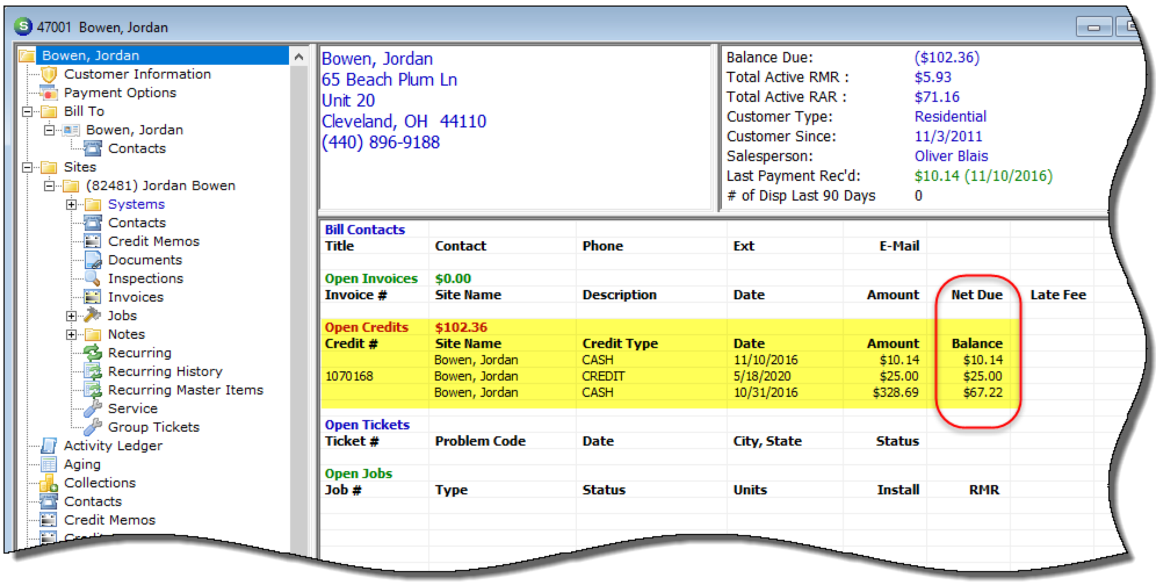
Create a Credit Reason that will be used when creating the credit memo that will be used to create the customer refund check.



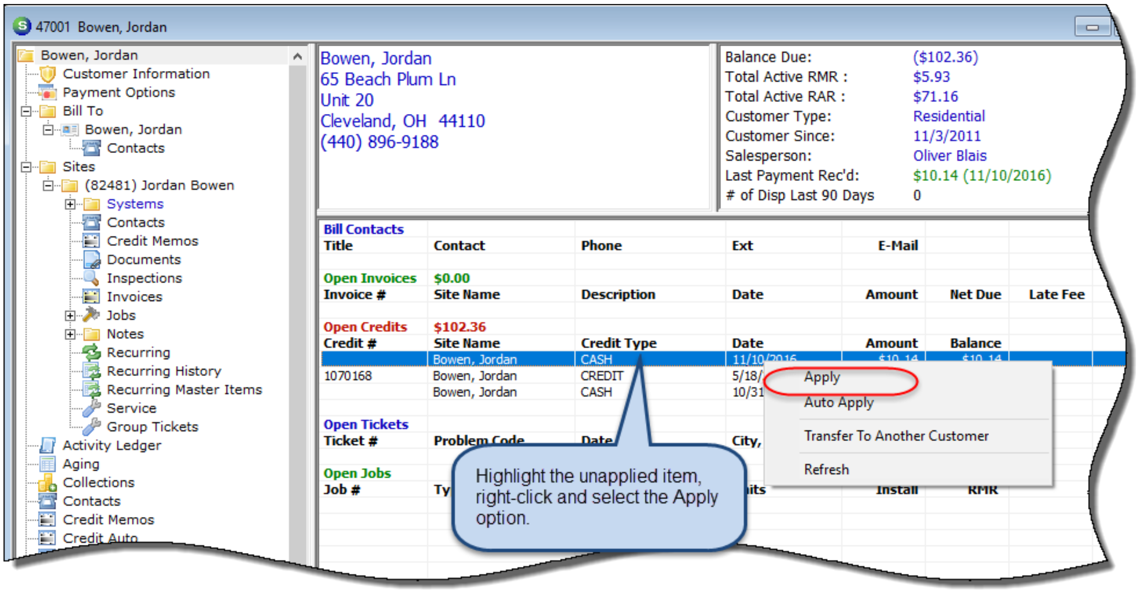
The Process

Once the setups have been completed, you are now ready to consolidate amounts for which you want to generate a customer refund check.

In our example, the customer has three open credits. Two unapplied cash items and one unapplied credit memo for a total of $102.36. We will be refunding the total amount of $102.36.



1. First, we will move each of the unapplied items into the GL Account created on page 6 of this document. To do this, highlight the credit item, right-click and select the Apply option.

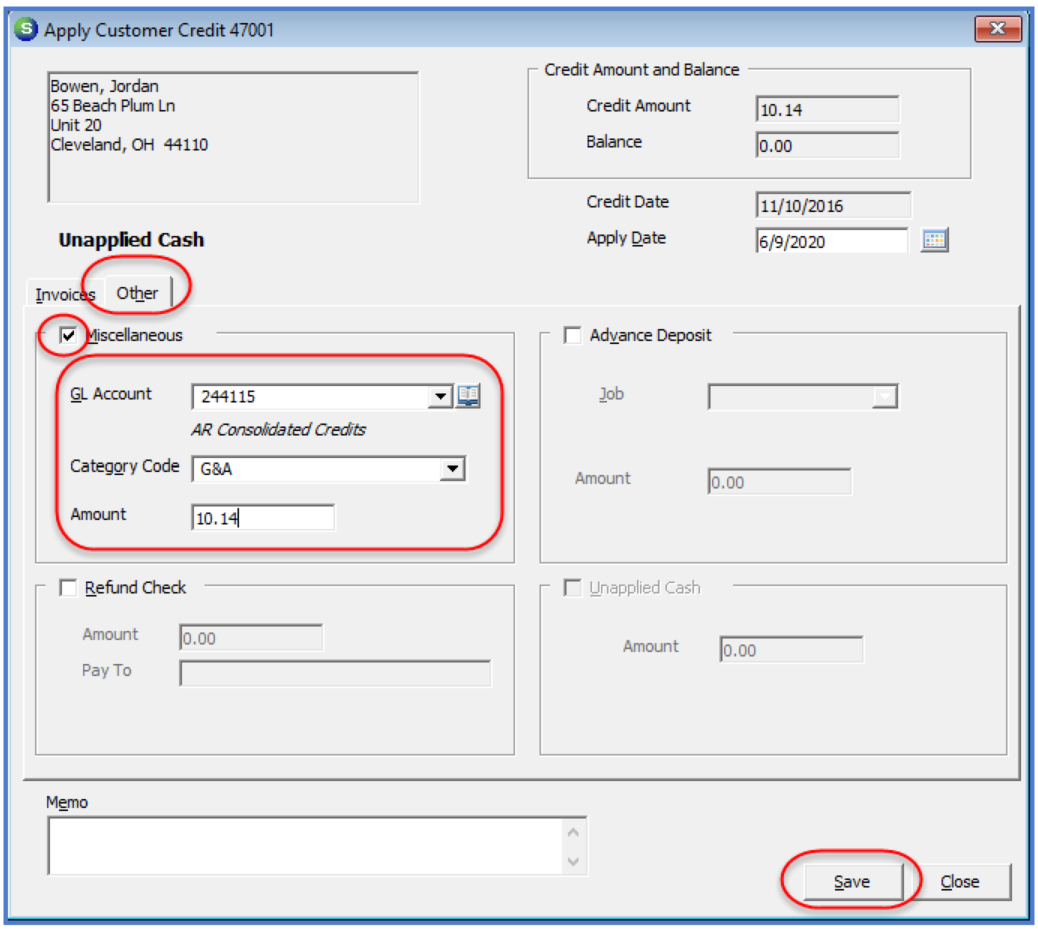


2. The Apply Customer Credit form will be displayed.
    - Click on the “Other” tab at the upper left of the form.
    - Check the Miscellaneous checkbox.
    - In the GL Account field, select the GL Account created on page 6 of this document.
    - In the Category Code field, typically you will select G&A.
    - The balance of the credit item will auto-fill into the Amount field.

When finished, press the Save button located at the lower right of the form.

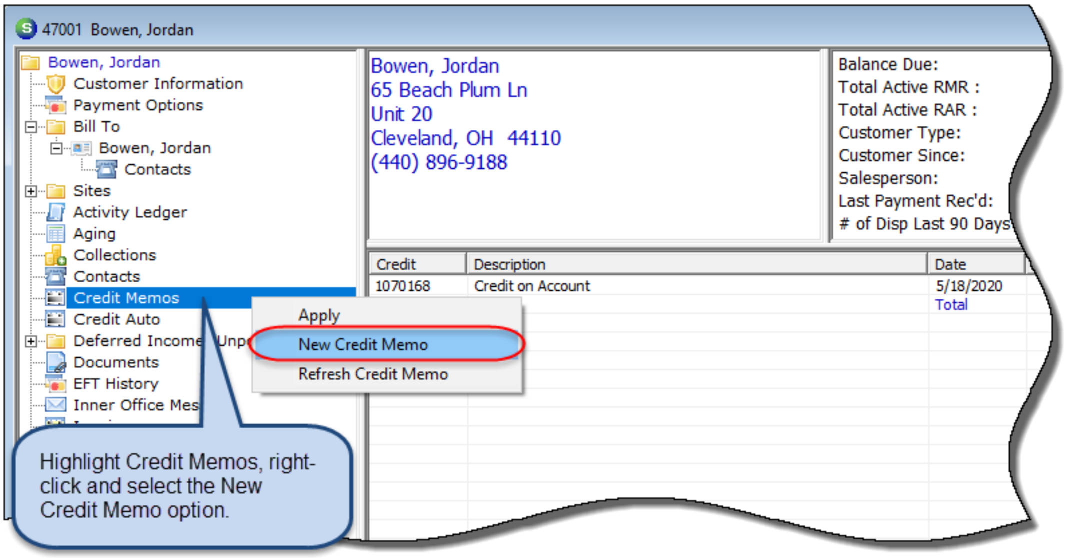
Repeat this same process for each unapplied credit you want to consolidate for the customer refund check.

When finished, no open credits will be shown on the customer record, and the balance in our new GL Account will be $102.36.



3. Now we will create a new credit memo for the total amount of the open credits that we transferred into our “consolidation” account. This credit memo will then be turned into a customer refund check.

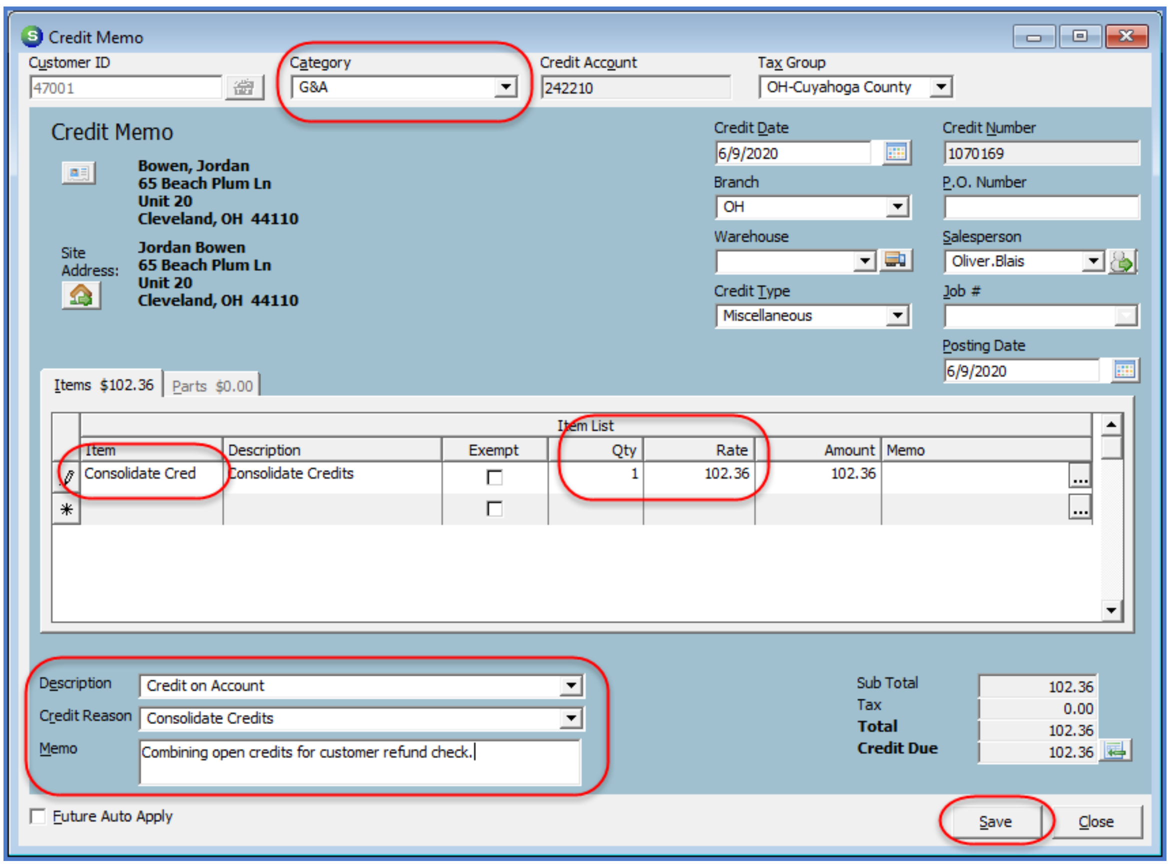
   From the customer tree, highlight Credit Memos, right-click and select the New Credit Memo option.



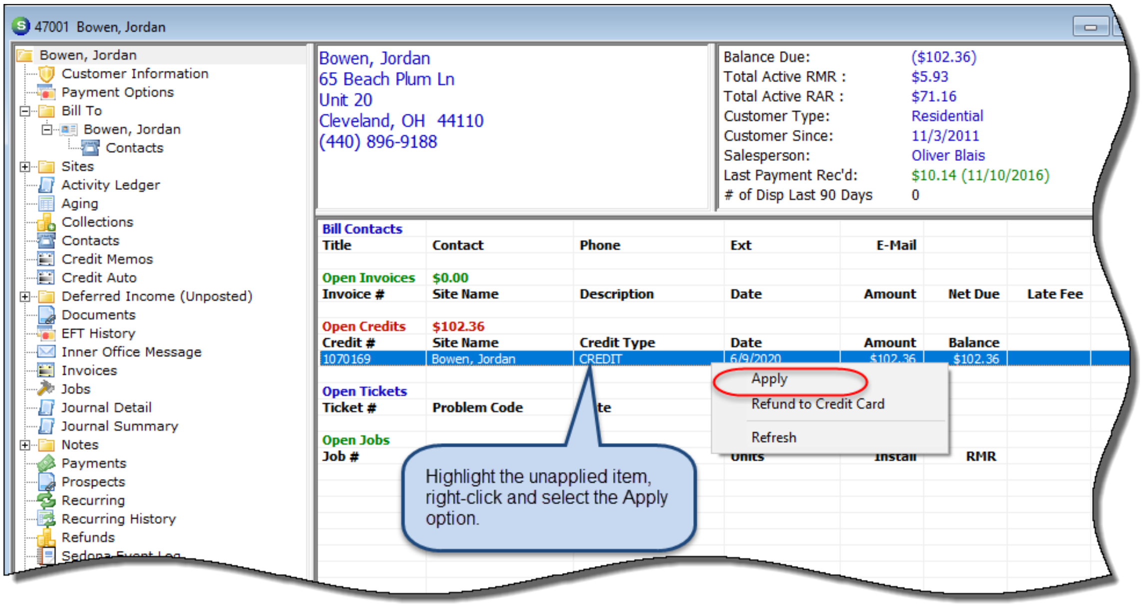
The Credit Memo form will be displayed. Fill in the Credit Memo form then press the Save button when finished.

Credit Memo Key Fields:

- Category – Typically select G & A.
- Item Code – Select the Invoice Item Code created on page 7 of this document.
- Qty – enter 1.
- Rate – Enter the total amount of the open credits that were transferred into the GL Account for consolidation.
- Description – Typically select Credit on Account.
- Credit Reason – Select the Credit Reason created on page 8 of this document.
- Memo – You many enter an optional note describing the purpose of this credit mem.

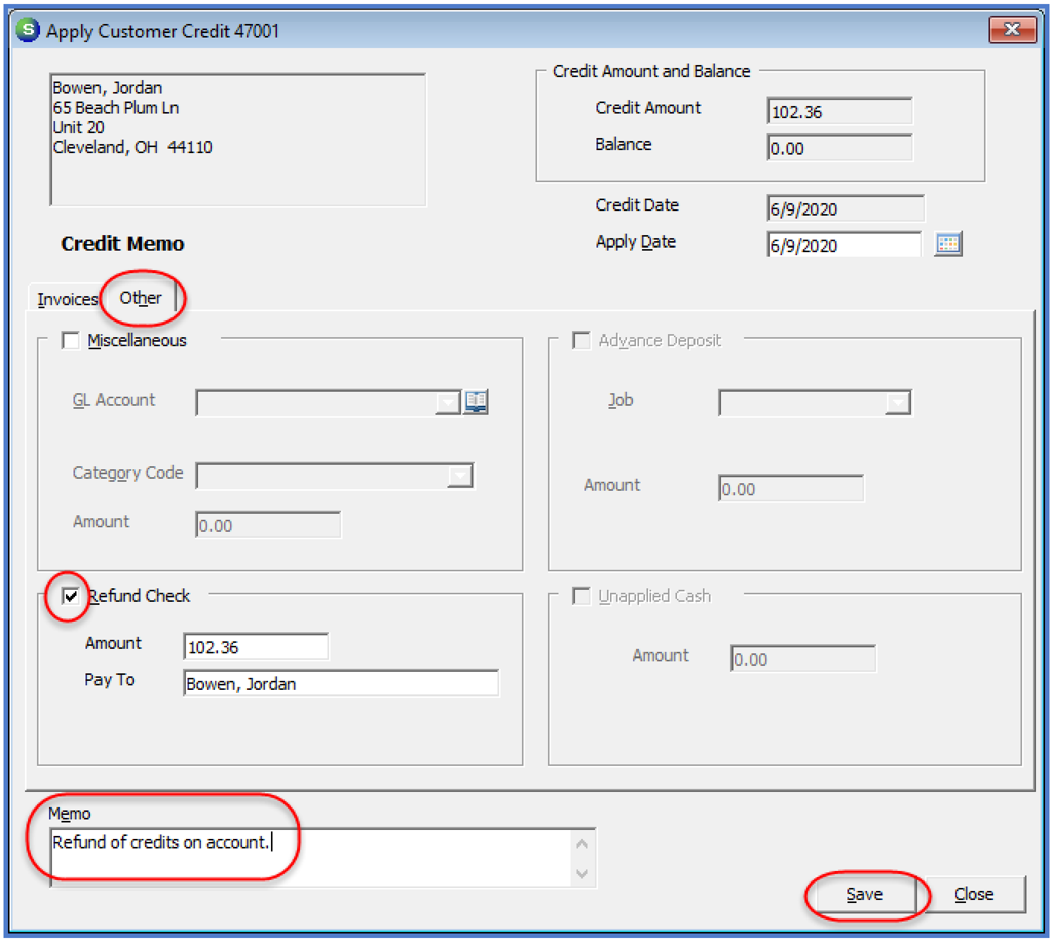


4. We now have one credit memo on the customer's account for $102.36. We will now turn this credit memo into a customer refund check.
   Highlight the credit memo, right-click and select the Apply option.

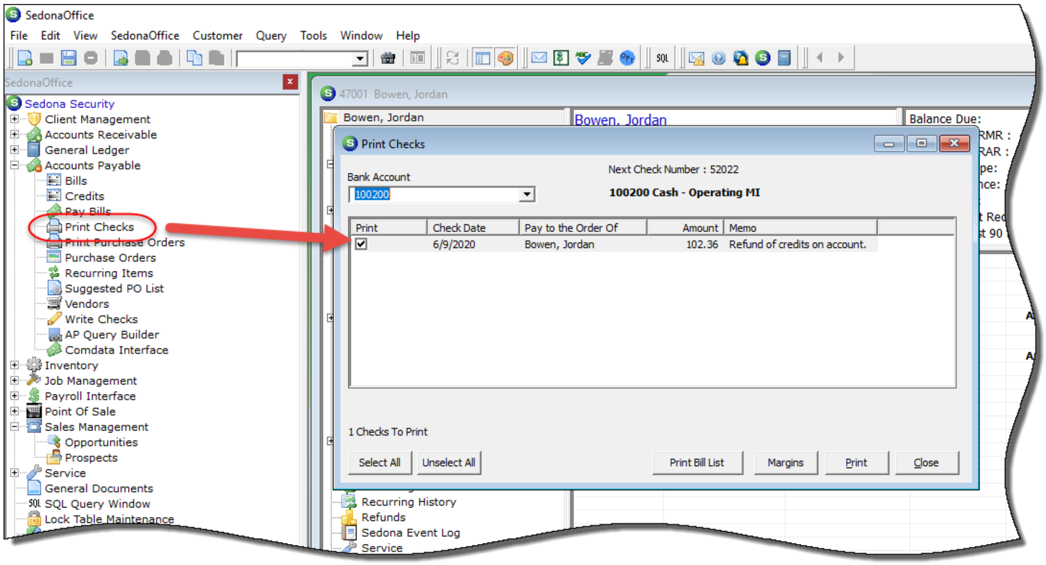


5. The Apply Customer Credit form will be displayed.
    - Click on the “Other” tab at the upper left of the form.
    - Check the Refund Check checkbox.
    - The credit memo amount will auto-fill into the Amount field.
    - In the Memo field, you may enter a brief note that will print on the Customer Refund Check.

When finished, press the Save button located at the lower right of the form.



6. The Customer Refund Check will now appear in the Accounts Payable check printing queue.



Once the check has been printed, the check number will be shown on the Customer record under the Refunds tree option.