Customer Refunds

Reference Guide

For Versions 5.7.24+

Last Revised:

December 29, 2015

Table of Contents

About this Document

This Reference Document is for use by SedonaOffice customers only. This document is not intended to serve as an operating or setup manual. Its purpose is to provide an overview of the enhancements and corrections made in the release and is to be used for reference purposes only.

SedonaOffice reserves the right to modify the SedonaOffice product described in this document at any time and without notice. Information contained in this document is subject to change without notice. Companies, names and data used in examples herein are fictitious unless otherwise noted. In no event shall SedonaOffice be held liable for any incidental, indirect, special, or consequential damages arising from or related to this guide or the information contained herein. The information contained in this document is the property of SedonaOffice.

This document may be updated periodically; please to visit our website at www.sedonaoffice.com for the most current version. Copyright 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016

Customer Refunds

Customer refunds may be made by check or credit card. Refunds of payments made by an ACH transaction must be processed directly on Forte's Gateway program and subsequently documented within SedonaOffice.

Setup

The Customer Refunds G/L account in the GL Account Default Table within SedonaSetup is used in processing the customer refund transaction. This account should have been setup when your software was initially installed. Make certain you have a unique G/L account created in your chart of accounts, with the type of OCL assigned to this field.

Usergroup Permissions

Users that will be processing refunds by credit card must be given the usergroup permission EFT Transactions in the Usergroup Setup Table.

Creating A Refund By Check

Follow the steps below to generate a customer refund using any customer's unapplied credit memo, unapplied cash or unapplied advance deposit. The refund check may be generated for the entire amount or a partial amount of the unapplied item selected.

Selecting an Unapplied Credit or Cash Item for Refund

1. Open the customer explorer of the customer for whom you wish to generate a refund check.

2. From the grid of the customer explorer, highlight the unapplied item that you want to use for the refund check, right-click and select the Apply option.
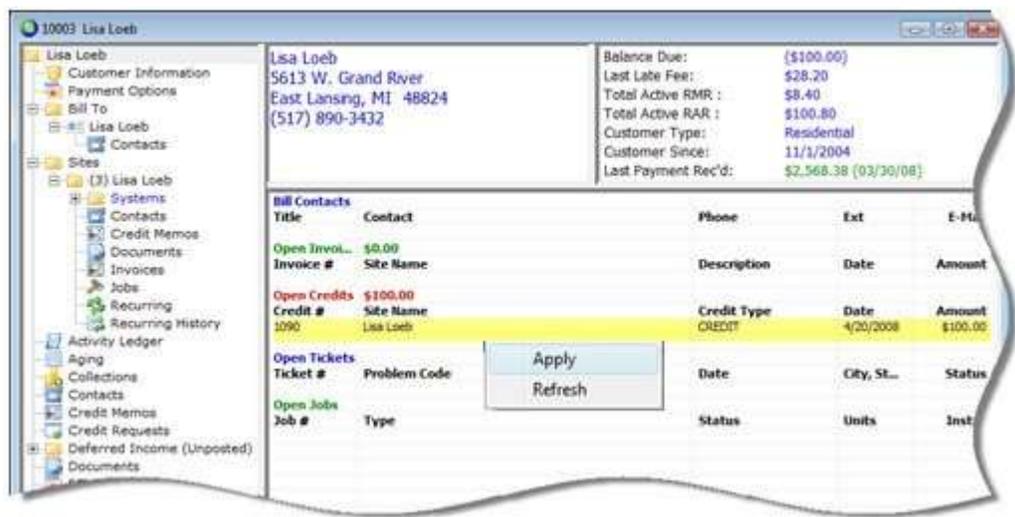
3. The Credit Application form will be displayed. Click on the Other tab in the form.

    a. Check the Refund Check box located in the lower left area of the form.

    b. Amount - This will automatically be populated with the total amount available from the unapplied item. You may manually change this amount if you do not want to generate a refund for the entire amount shown in this field. The value entered in the amount field will be the amount of the refund check that will be printed later.

    c. Pay To – This field will automatically be populated with the name of the primary Bill To name on the customer account. You may change the pay to name if necessary.

d. Memo – You may type in a memo that will print on the refund check. You may enter up to 50 characters of text that will print in the memo field of the refund check.

e. Press the Save button when finished. Pressing the save button will automatically forward the refund check to the Accounts Payable check printing queue.

Printing the Refund Check

To print the customer refund check, follow the steps in this section.

1. Navigate to the main application tree and select Accounts Payable/Print Checks option.

2. The Print Checks list will be displayed. Press the Print button located at the bottom right of the form. The Check Number form will be displayed; press OK to confirm the starting check number or enter the correct check number then press the OK button.
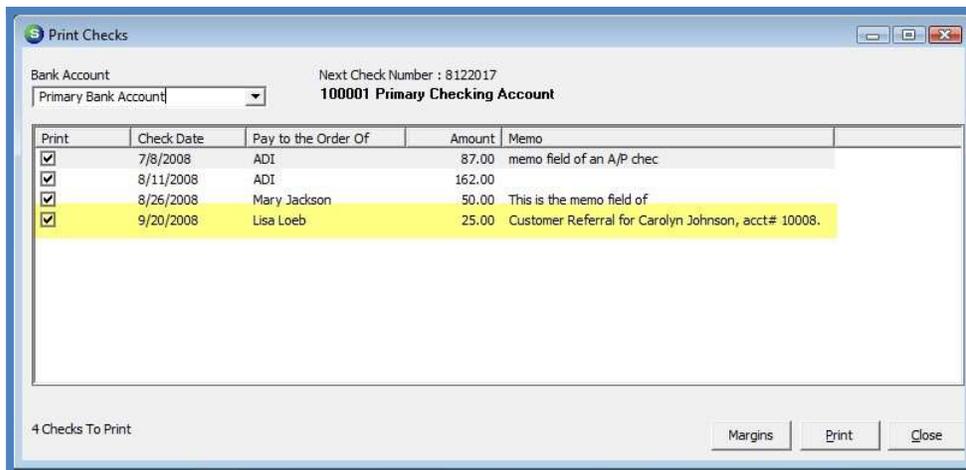
3. The Check will be displayed in print preview. Press the Print & Close button located at the top left of the print preview form to print the check.
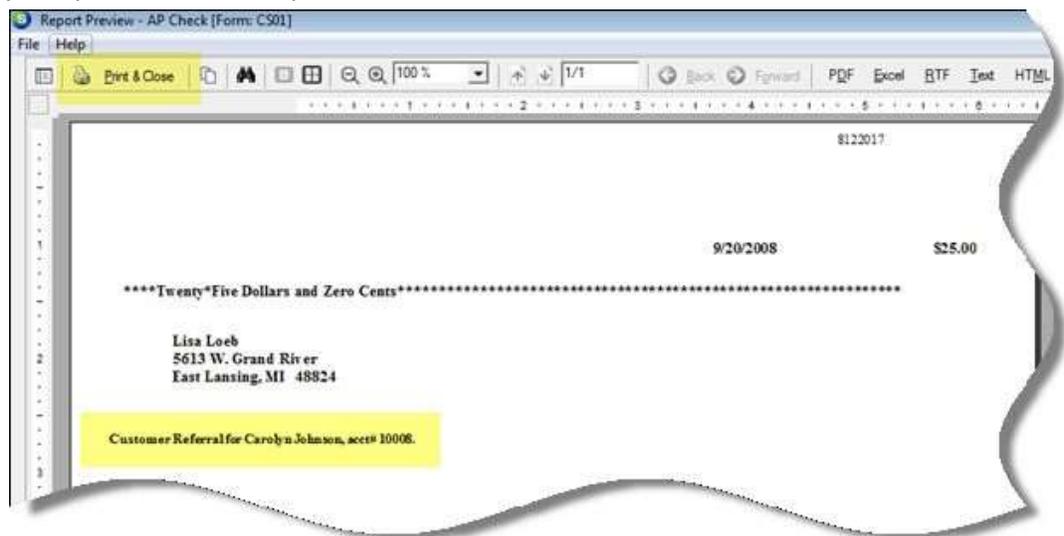
Important Note:

If you void a customer refund check, the unapplied credit, unapplied cash or advance deposit that was used for the refund check will not be returned to the customer account. If you want to put the credit back on the customer account, you will need to create a credit memo. Refer to the next section for steps on processing voided customer refund checks.

Voided Customer Refund Checks

When a customer refund check is voided, the SedonaOffice application creates a GL transaction that posts a debit to the bank account from which the check was written and a credit to the Customer Refunds Account (SedonaSetup GL account defaults for AP). This leaves a credit balance in the Customer Refunds G/L account. The customer refunds account should always have a zero balance if transactions have been processed correctly. To re-issue the check and clear the Customer Refunds account, you would need to use the Write Checks function in Accounts Payable to reissue the voided check. If you are not re-issuing the refund check, you will need to create a credit memo to return the credit to the customer account. Follow the steps below for the appropriate situation

Re-Issue a Refund Check

1. Navigate to the main application tree and select Accounts Payable/Write Checks. The check form will be displayed. Select the Customer radio button at the top of the Write Checks form.
2. Click on the binoculars icon button to the right of the Pay To The Order Of field to look up the customer number.
3. Enter the amount in the check Amount field.
4. If the check is going to be printed at a later time, select the In Print Queue checkbox, or if the check is going to be printed now, do not check this box.
5. On the Expense tab, enter the GL account number for the Customer Refunds account that is the setup value found in GL account defaults for AP.
6. On the Expense line, enter the Amount, and Category.
7. If printing now, press the Print button or if the In Print Queue checkbox was selected, press the Save button and the check may be printed at a later time.

Creating a Credit Memo for a Voided Customer Refund Check

Before creating the credit memo to return the unapplied amount to the customer's account, you must first have an invoice item code set up that is directed to the customer refund account instead of a regular income account.

When creating this item code:

- Item Type - select the Item Type of NR
- Account – select your customer refunds account
- Taxable – uncheck this checkbox
- Available for Sales – uncheck this checkbox
- Category – select your category – usually Administration or G & A

Once the item code has been set up, you may create the credit memo on the customer's account.

Creating a Refund By Credit Card

Credit card refunds can be done from a credit memo or by reversing an EFT payment.   **It is not possible to refund unapplied cash to a credit card.**

Selecting an Unapplied Credit Memo for Refund

Credit card refunds may be performed from a credit memo.

1. Open the customer explorer of the customer for whom you wish to generate a refund.

2. From the grid of the customer explorer, highlight the unapplied credit that you want to use for the refund.   Right-click and select the Refund to Credit Card option.

Faybrick, Don 914 Pizza Lane Plymouth, MI 48170 (734) 544-6162				

Balance Due:	$15,682.52	
Last Statement Date:	1/11/2010	
Last Late Fee:	$3,443.14	
* In Collection Queue *	Other Stuff	
Total Active RMR :	$1,018.37	
Total Active RAR :	$12,220.44	
Customer Type:	Residential	
Customer Since:	9/27/2007	
Salesperson:	Drew Stanton	
Last Payment Rec'd:	($2.00) (7/23/2015)	
# of Disp Last 45 Days	0	
** EFT Pending **		
Amount:	$4.18	
Entered Date:	7/23/2015	

Bill Contacts

Title	Contact	Phone	Ext	E-Mail

Open Invoices $18,708.52

Invoice #	Site Name	Description	Date	Amount	Net Due	Late Fee
41292	Faybrick, Don	Bill for Work Completed	8/19/2008	$15,751.54	$13,996.76	$0.00
41293	Faybrick, Don	Bill for Work Completed	8/19/2008	$372.75	$372.75	$0.00
41486	Faybrick, Don	Equipment Sales	4/29/2009	$735.00	$735.00	$0.00
41488	Sam Jones	Equipment Sales	4/29/2009	$746.31	$746.31	$0.00
41864	Faybrick, Don	On Site Service	8/12/2009	$1,757.70	$1,757.70	$0.00
42432	Sam Jones	Bill for Work Completed	2/7/2012	$50.00	$50.00	$0.00
42467	Faybrick, Don	On Site Service	3/2/2012	$1,050.00	$1,050.00	$0.00

Open Credits $3,026.00

Credit #	Site Name	Credit Type	Date	Amount	Balance	
42849	Faybrick, Don	CREDIT	7/24/2015	$1.00	$1.00	
42428	Faybrick, Don	CREDIT	Apply	00	$25.00	
	Faybrick, Don	CASH		00	$99.00	
42429	Faybrick, Don	CREDIT	Refund to Credit Card	00	$99.00	
	Faybrick, Don	CASH		00	$144.00	
40826	Faybrick, Don	CREDIT	Refresh	30	$270.30	
41380	Faybrick, Don	CREDIT	11/6/2008	$630.00	$630.00	
41865	Faybrick, Don	CREDIT	8/12/2009	$1,757.70	$1,757.70	

Open Tickets

Ticket #	Site Name	Problem Code	Date	City, State	Status
347	Faybrick, Don	AC Power Failure	8/12/2009	Plymouth,...	SC
90436	Faybrick, Don	Inspection	6/5/2012	Plymouth,...	OP

Open Jobs

Job #	Site Name	Type	Status	Units	Install	RMR
20045	Faybrick, Don	Progress Billing	Job Complete	38	1347.10	44.00
20046	Faybrick, Don	Residential	Job Complete	4	3829.00	0.00
20048	Marty McJohansen	Progress Billing	In-Progress	0	1474.50	75.00
20068	Faybrick, Don	Residential	In-Progress	26	455.00	0.00
20090216	Sam Jones	Residential	In-Progress	0	15000.00	0.00
B20091029	Faybrick, Don	Residential	In-Progress	1	0.00	0.00

3. The system will look up what credit cards are on file for the customer. If there is more than one, a list will display for the user to select the specific card to use. Highlight the specific credit card and press Save.
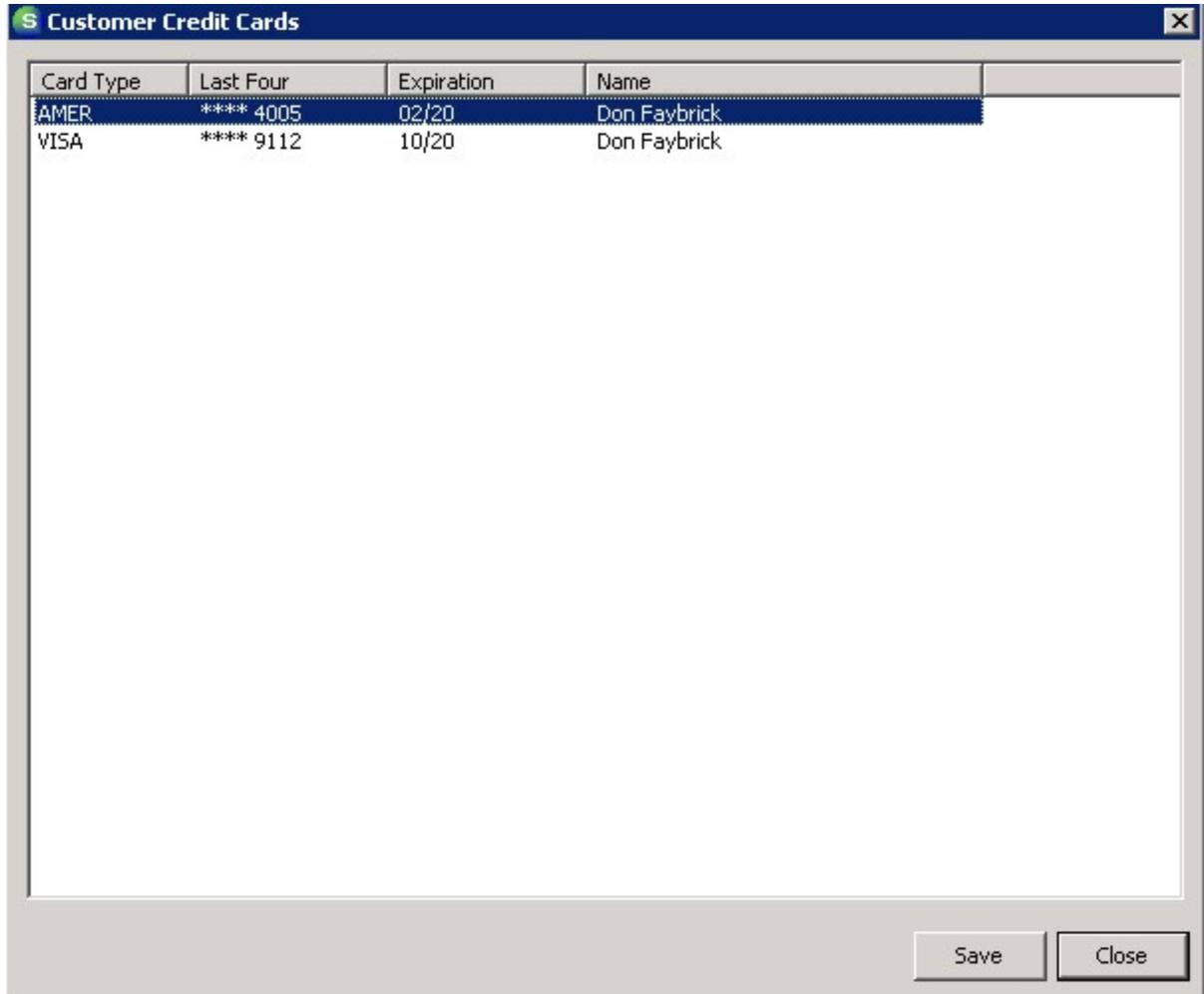
4. A confirmation message will appear asking the user to designate their intention to process the refund to the credit card selected. Press the Yes button if this is the correct credit card.
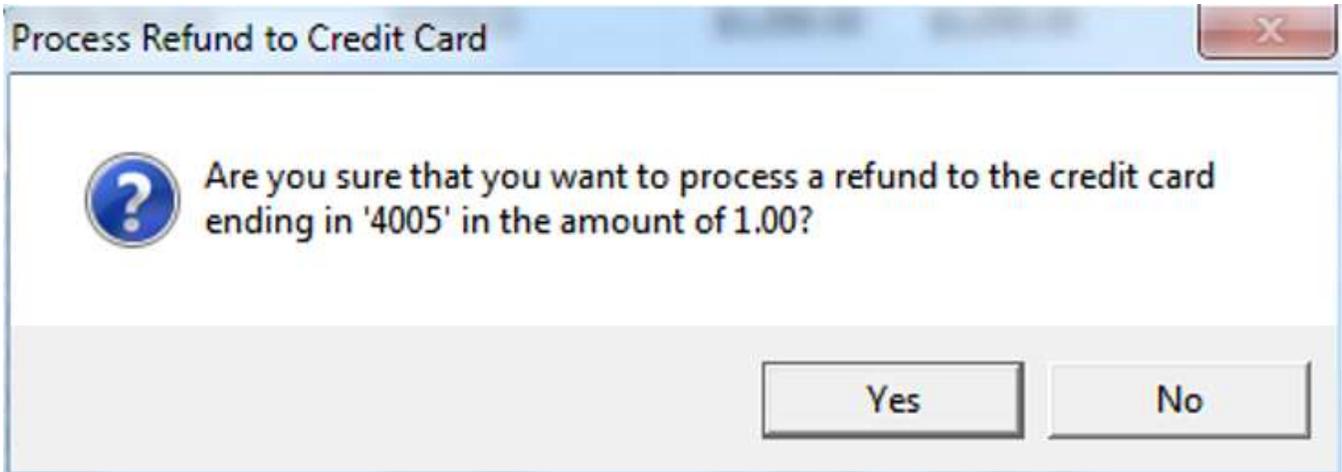
5. The system will create a live transaction for the refund entry in the EFT processing area of Accounts Receivable. Live transactions must be captured, and the refund(s) will be posted as a negative entries when the payment batch is created. The total amount of the payment batch will the sum of all charges minus any refunds given.

6. The credit memo will be applied against the Customer Refund account as defined in the GL Account Defaults table under Accounts Payable in the SedonaSetup tables.

Salesperson:	Drew Stanton
Last Payment Rec'd:	($2.00) (7/23/2015)
# of Disp Last 45 Days	0
** EFT Pending **	
Amount:	$5.18
Entered Date:	7/23/2015

Reg No.	Date	Type	Description	Debit	Credit	AR Net
12846	7/24/2015	CRMEMO - 42849	2121 - Unapplied Credit		1.00	15,953.82
			4811 - Late Fees	1.00		
12847	7/24/2015	CRMEMO - 549	2121 - Unapplied Credit	1.00		15,954.82
			2410 - Customer Refunds		1.00	

An entry is also written to the customer's SedonaOffice Event Log.

| Amount: | $5.18 |
| Entered Date: | 7/23/2015 |

Time Stamp	User Code	Type	Description	User Co
7/24/2015 9:41:30 AM	Administrator	ADD	Refund EFT Transaction from Credit Memo: 42849	
7/24/2015 9:40:10 AM	Administrator	ADD	Added Credit Memo 42849	

Reversing A Credit Card Payment

To reverse a payment, navigate to EFT History on the customer record, find the payment to be reversed and right-click. Select the option to Reverse the Transaction.

The following prompt will appear:
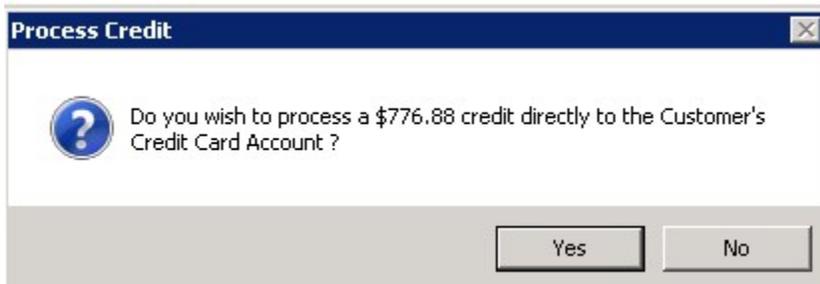
This will create a negative entry into EFT Processing as a Live Transaction. At the end of the day, all live transactions (positive and negative) will be captured.

After the capture is done, the credit card reversal will automatically credit the Customer Refunds Account in the general ledger and create a negative payment batch for deposit.

The credit card reversal will also be recorded as an approved live transaction on the customer's EFT history screen.

Results of the Customer Refund Process

Once the customer refund has been processed, you will be able to view the information from the customer explorer. From the customer explorer, highlight the Refunds option on the customer tree. This will display the refund check or EFT transaction in the information grid. To view the refund check, double-click on the refund check in the grid area.

For a customer refund created from an unapplied credit memo, the following entries will be made to the G/L register:

Account	Debit	Credit
Unapplied Credits	25.00	
Customer Refunds		25.00
Customer Refunds	25.00	
Checking Account		25.00

For a customer refund check created from unapplied cash, the following entries will be made to the G/L register:

Account	Debit	Credit
Unapplied Cash	25.00	
Customer Refunds		25.00
Customer Refunds	25.00	
Checking Account		25.00

For a customer refund check created from an unapplied advance deposit, the following entries will be made to the G/L register:

Account	Debit	Credit
Advance Deposits	25.00	
Customer Refunds		25.00
Customer Refunds	25.00	
Checking Account		25.00

Customer refund checks will appear on the list of payments within the Bank Reconciliation form.