

QUICK REFERENCE GUIDE

Processing a Returned Item for an AR Item (MMB Notification)

February 5, 2015

Process a Returned Item for an AR Item

This guide covers how to process a Returned Item for an AR Item.

WARNING! It is important to unpost and repost the same day so the General Ledger and the Treasury are in sync. It is recommended that the ARUpdate process be run manually after steps 2 and 4 listed below.

Steps to complete:

- Step 1: Locate Relevant Information for the Unposting Process
- Step 2: Unpost the Payment (removes the original payment from the Item and reopens the Item)
- Step 3: Reapply the Original Payment to the Customer’s Account
- Step 4: Create a Payment Worksheet (reposts the amount “On Account”)
- Step 5: Create a Maintenance Worksheet (writes off the credit to the customer’s account)

Step 1: Unpost the Item

Before unposting the payment that is now a Returned Item, you will need to find out more reference information about the AR Item. There are several screens available to help you retrieve this information. In this example, we will use the *View/Update Item Details* pages.

1. **Navigation Links:** Accounts Receivable, Customer Accounts, Item Information, View/Update Item Details.
2. Accept the default *Business Unit* or enter a *Business Unit*.
3. Enter the *Item ID*.

- Click on the **Search** button. The *Detail 1* page displays.
- Click on the Item Activity tab. Activity associated with the Item displays, including the original invoice (Entry Type “IN”), and the payment that is now a Returned Item (Entry Type “PY”).**

Unit: G1001 Customer: 000000000# Hennepin County Research, Planning & Dev

Item ID: 990000001 Line: 1 Days Late: 55 Status: Open

Balance: 300.00 USD

Item Activities		Find View All		First 1-2 of 3 Last	
Sequence:	1	Accounting Date:	09/11/2014	Posted Date:	11/03/2014
Entry Type	IN	Reason:		Voucher ID:	
Document:				Amount:	300.00 USD
Group Unit:	G1001	Group ID:	7468	Billing	
Sequence:	2	Accounting Date:	12/03/2014	Posted Date:	12/04/2014
Entry Type	PY	Reason:	Worksheet Reason:	Voucher ID:	
Document:				Amount:	-300.00 USD
Group Unit:	G1001	Group ID:	7525	Payment	
Deposit Unit:	G1001	Deposit ID:	132950130	Payment ID:	CK #5678

Split Item Action Add Conversation View Audit Logs

Save Return to Search Previous in List Next in List Notify Refresh

Detail 1 | Detail 2 | Detail 3 | Item Activity | Item Accounting Entries | Item Audit History

- Make note of the payment fields, including Group ID, Deposit ID, Payment ID, and Sequence.**

Step 2: Unpost the Payment (removes the original payment from the Item and reopens the Item)

Begin by navigating to the *Payment Group* search page to access the original deposit and unpost it.

- Navigation Links:** Accounts Receivable, Receivables Update, Unpost Groups, Payment Group.
- At the *Payment Group* page, accept the *Deposit Unit* default or enter a *Deposit Unit*.

3. Enter the *Deposit ID* for the deposit you want to unpost.

Note: Other search fields are available to limit your search results, including *Payment Sequence*, *Payment ID* and date fields.

Favorites | Main Menu > Accounts Receivable > Receivables Update > Unpost Groups > Payment Group

Payment Group

Enter any information you have and click Search. Leave fields blank for a list of all values.

Find an Existing Value

Search Criteria

Deposit Unit: = G1001

Deposit ID: begins with 132950130

Payment Sequence: =

Payment ID: begins with

Payment Type: =

Entered Date: =

Posted Date: =

Assigned Operator ID: begins with

Case Sensitive

Search Clear Basic Search Save Search Criteria

Search Results

View All First 1-2 of 2 Last

Deposit Unit	Deposit ID	Payment Sequence	Payment ID	Group Unit	Group ID	Payment Type	Origin ID	Entered Date	Posted Date	Assigned Operator ID
G1001	132950130	1	CK #5678	G1001	7525	Payment	PS_AR	12/03/2014	12/04/2014	TEST_TRN
G1001	132950130	3	CK #1234	G1001	7526	Payment	PS_AR	12/03/2014	12/04/2014	TEST_TRN

4. Click on the **Search** button.

5. If more than one payment was in the deposit, click on the payment you want to unpost in the **Search Results** section. The *Payment Control* page displays showing information about the deposit.

Favorites | Main Menu > Accounts Receivable > Receivables Update > Unpost Groups > Payment Group

Payment Control

Options Action

Deposit Unit: G1001 Deposit ID: 132950130 Payment ID: CK #5678

Accounting Date: 12/03/2014 Approved By: TEST_TRN

Group Type: P Payment

Origin ID: PS_AR PS_AR

Payment Type: Payment

Currency Control: Format: USD

Totals		Control Data	
Control:	-300.00	*Count:	1
Entered:	-300.00	Count:	1
Difference:	0.00	Count:	0
Posted:	-300.00	Count:	1
Received:	12/03/2014		
Entered:	12/03/2014		
Posted:	12/04/2014		
Assign:	TEST_TRN		
User:	TEST_TRN		

Group Status

Edit Status: Edited

Balanced: Yes

Posting Status: Complete

Accounting Entries: Balanced

Posting Action: Do Not Post

Save Return to Search Previous in List Next in List Notify

Payment Control | Options | Action

6. Click on the **Options** tab.

7. Click on the **Unpost Reason Lookup** button and select “NSF” (Non-Sufficient Funds).

8. The *Accounting Date* should be the current date. If necessary, click on the **Edit Accounting Date** checkbox and change the date to the current date.

9. Click on the **Action** tab.

10. Click on the **Action** drop-down list and select “**Batch Standard**” to post this action.

11. Click on the **OK** button in the **Posting Action** section.

12. Click on the **Save** button.

13. After saving, the *Unpost Group ID* displays in the header on the **Action** tab. Make note of the *Group ID* for the next step.

14. Next, the ARUpdate process must be run to unpost the Payment Group and create accounting entries in General Ledger (GL). This process removes the original payment from the Item and reopens the Item. In Step 3, you will repost the payment to the customer’s account.

WARNING! So that the GL and the Treasury are in sync, it is important to unpost and repost the same day; it is best to complete this process before 11:00 a.m. or wait until after 12:00 p.m. to process. It is recommended that you run the process manually, rather than waiting for the batch process to run. Refer to the [AR/BI3 Accounts Receivable Advanced User Guide](#), “Running the ARUpdate Process” topic, for assistance.

Note: After the ARUpdate process is run, the *Item Activity* page displays the original invoice, the payment, and the unposting of the payment.

The screenshot shows the 'Item Activity' page for Unit G1001, Customer 000000001 (Hennepin County Research, Planning & Dev). The item ID is 990000001, Line 1, with 55 days late and an open status. The balance is 300.00 USD.

Sequence	Entry Type	Reason	Accounting Date	Posted Date	Voucher ID	Amount
1	IN	Billing	09/11/2014	11/03/2014		300.00 USD
2	PY	Payment	12/03/2014	12/04/2014		-300.00 USD
3	PY	Unpost	12/04/2014	12/04/2014		300.00 USD

Additional details for Sequence 3 include: Worksheet Reason: Unpost, Voucher ID: Enable Unpost Reason: NSF, and Payment ID: CK #5678.

Step 3: Reapply the Original Payment to the Customer’s Account

Next, reapply the original payment to the customer's account. Begin by navigating to the *Regular Deposit* page to enter customer information and remove the item reference.

1. **Navigation Links:** Accounts Receivable, Payments, Online Payments, Regular Deposit.
2. Accept the default *Deposit Unit* or enter a *Deposit Unit*.
3. Enter the *Deposit ID* for the original deposit.
4. Click on the **Search** button.
5. If more than one payment was in the deposit, click on the payment you want to unpost in the *Search Results* list. The *Regular Deposit* page displays.
6. Click on the **Payments** tab.

Note: The original deposit **Reference Information** section displays the *Item ID*.

Unit: G1001 Deposit ID: 132950130 Date: 12/03/2014 Balance: Balanced

Payment Information

Payment Seq: 1 *Payment ID: CK #5678 *Accounting Date: 12/04/2014

Amount: 300.00 Currency: USD

Rate Type: CRRNT Exchange Rate: 1.00000000

Payment Method: Check Attachments (0) View Audit Logs

Payment Predictor Journal Directly Range of References

Customer Information

Customer ID: Business Unit: Remit From: Remit SetID:

Name: Corporate: Corporate SetID:

SubCust1: SubCust2: MICR ID: Link MICR

Reference Information

Qual Code	Reference	To Reference
1	990000001	

Buttons: Save, Return to Search, Notify, Refresh, Add, Update/Display

7. **WARNING!** Uncheck the “Payment Predictor” option. If you don’t do this, the payment will be reposted when the batch processes run again.
8. Enter the *Customer ID* or click on the **Lookup** icon to search for a customer.
9. Accept the default *Business Unit* or select a different *Business Unit*.
10. In the **Reference Information** section, delete the Reference *Item ID* by clicking on the **Minus (-)** for row one.
11. Click **OK** button at the prompt.
12. Click on the **Save** button.

Step 4: Create a Payment Worksheet

Next, create a Payment Worksheet to apply the amount “On Account.” Begin by navigating to the *Create Worksheet* page.

1. **Navigation Links:** Accounts Receivable, Payments, Apply Payments, Create Worksheet.
2. If navigating directly from the *Payments* page for the deposit, the *Deposit Unit* and *Deposit ID* are automatically supplied. If not, verify the *Deposit ID* and enter the *Deposit ID* for the original deposit.
3. Click on the **Search** button. The *Payment Worksheet Selection* page displays *Customer ID* populated.

Favorites | Main Menu > Accounts Receivable > Payments > Apply Payments > Create Worksheet New Win

Payment Worksheet Selection

Deposit Unit: G1001 Payment ID: CK #5678 Payment Predictor
 Deposit ID: 132950130 Payment Amount: 300.00 USD
 Deposit Status: Partially Applied Payment Status: Identified

Customer Criteria

Customer Criteria: Customer Items Customer Reference Find | View All | First 1 of 1 | Last

Customer ID: Business Unit: + -
 SubCustomer 1: SubCustomer 2:
 Name: _____
 Remit SetID: _____ Remit From ID: _____
 Corporate SetID: _____ Corporate ID: _____
 MICR ID: Link MICR

Reference Criteria

Reference Criteria: None Item Reference Personalize | Find | View All | First 1 of 1 | Last

Restrict to: All Customers
 Match Rule: Exact Match
[Detail Reference](#)
[Item Status](#)

Qual Code	Reference	To Reference
<input type="text"/>	<input type="text"/>	<input type="button" value="+"/> <input type="button" value="-"/>

Item Inclusion Options

All Items Deduction Items Only Items in Dispute Only
 Exclude Deduction Items Exclude Collection Items Exclude Dispute Items

Worksheet Action

 Created at: _____ Items: 0

Worksheet Selection [Worksheet Application](#) [Worksheet Action](#)

4. If necessary, select the *Business Unit* in the **Customer Reference** section. The **Customer** name displays.
5. **WARNING!** The *Reference Criteria* field must = "None". Otherwise, all items will be pulled into the worksheet.
6. Click on the **Build** button in the **Worksheet Action** section. The *Payment Worksheet Application* page appears.
7. Click on the **Add New Row** plus (+) to add a row. The *Add New Row* dialog displays.

state.mn.us needs some information ✖

Script Prompt:

Enter number of rows to add:

8. Accept "1" at the prompt verifying that is how many rows you would like to add.

9. Click the **OK** button and you are returned to the *Payment Worksheet Application* page.
10. Complete the fields as described below.

Field Name	Field Description
*Pay Amt	Enter the negative amount for the credit. Note: This amount will display in the <i>Adjusted</i> field of the <i>Balance</i> section.
*Entry Type	Select "OA" (Place an Amount On Account).
Item ID	After selecting the "OA" <i>Entry Type</i> , the system will automatically generate a new <i>Item ID</i> ; for example, "OA49".
*Reason	Select "NSF" (Non-Sufficient Funds) for the reason. This is mandatory for correct classification of "On Account" items.

11. Click on the **Save** button. Make note of the "On Account" *Item ID* for the next step.
12. Click on the *Worksheet Action* link at bottom of page. The *Payment Worksheet Action* page displays.

13. **WARNING!** Make sure to select “**Batch Standard**” for the *Action*.
14. Click on the **OK** button.
15. Next, the ARUpdate process must be run to repost the payment and create accounting entries in the General Ledger (GL).

WARNING! So that the GL and the Treasury are in sync, it is important to unpost and repost the same day; it is best to complete this process before 11:00 a.m. or wait until after 12:00 p.m. to process. It is recommended that you run the process manually, rather than waiting for the batch process to run. Refer to the [AR/BI3 Accounts Receivable Advanced User Guide](#), “Running the ARUpdate Process” topic for assistance.

Step 5: Create a Maintenance Worksheet

Next, you will create a maintenance worksheet to write off the “On Account” amount so that this amount is an open item on the customer’s account.

1. **Navigation Links:** Accounts Receivable, Receivables Maintenance, Maintenance Worksheet, Create Worksheet.
2. Click on the **Add New Value** tab.
3. Accept the default *Business Unit* or enter a *Business Unit*.
4. Accept the default “NEXT” in the *Worksheet ID* field and the system will assign the next number available after you save the worksheet.
5. Click on the **Add** button. The *Worksheet Selection* page displays.

Favorites Main Menu > Accounts Receivable > Receivables Maintenance > Maintenance Worksheet > Create Worksheet

Worksheet Selection Worksheet Matches

Unit: G1001 Worksheet ID: NEXT

Customer Criteria

*Customer Criteria: None

Customer Reference Find | View All First 1 of 1 Last

Cust ID: [] Business Unit: []

Name: []

Remit SetID: [] Remit From ID: []

Corporate SetID: [] Corporate ID: []

Rate Type: CRRNT Acctg Date: 12/04/2014

MICR ID: [] Link MICR

Reference Criteria

*Reference Criteria: Specific Value

*Restrict to: All Customers

*Match Rule: Exact Match

Anchor BU: G1001

Currency: USD

Item Reference Personalize | Find | View All First 1 of 1 Last

Qual Code	Reference	To Reference
I	OA-71506	

Item Inclusion Options

All Items Deduction Items Only Items in Dispute Only

Exclude Deduction Items Exclude Collection Items Exclude Dispute Items

Item Selection Filter

Acctg Date From: [] Acctg Date To: []

AR Specialist: [] Deduction Reason: [] Broker ID: []

Worksheet Action

Build Clear Created Date/Time: [] Number of items in worksheet: 0

Worksheet Selection Worksheet Application Worksheet Action

6. Complete the **Reference Criteria** section as described below.

Field Name	Field Description
Reference Criteria	Must = "Specific Value".
Qual Code	Select "I - Item".
Reference	Enter the original "On Account" <i>Item Number</i> ("OA___") or click on the Lookup to search for the Item.
Anchor BU	Enter the <i>Business Unit</i> .

7. Click on the **Build** button and the *Worksheet Application* page displays.

8. Complete the **Item List** section fields as described below.

Field Name	Field Description
*Type	Select "WOC" (Write off a Credit).
*Reason	Select "NSF" (Non-Sufficient Funds). This is mandatory. If this is not selected, it will not create the offset line to the Clearing account as needed to "clear" that NSF item.
*Sel	Click the <i>Sel</i> checkbox for each Item you want to write-off.

9. Click on the **Save** button. Make note of the *Worksheet ID* for the next step.

Note: If you receive the below message indicating that the maximum operator write off amount limits have been exceeded, you do not have the security to process the write off amount. Contact your supervisor for instructions.

Message

One or more items exceed the Maximum operator write off amount limits on this worksheet. (6050,115)

10. Click on the *Worksheet Action* link.

11. Click on the **OK** button to accept the **Submit to Workflow** action. "Pending Approval" is now displayed in the Posting Action section.

Step 6: Complete Processing of the Returned Item Worksheet

Agencies may have different procedures for approving write-offs. Staff with the appropriate security will complete the *Worksheet Action* page for the Returned Item.

Begin by navigating to the maintenance worksheet that is in progress for the Returned Item.

1. **Navigation Links:** Accounts Receivable, Receivable Maintenance, Maintenance Worksheet, Update Worksheet.
2. Accept the default *Worksheet Business Unit* or enter a *Business Unit*.
3. Enter the *Worksheet ID* for the NSF.
4. Click on the **Search** button.
5. **WARNING!** At the *Worksheet Action* page, make sure to select “**Batch Standard**” for the Posting Action.
6. Click on the **OK** button.
7. Click on the **Save** button.

Next, the ARUpdate process must be run to create accounting entries in the GL (General Ledger). The ARUpdate batch process runs several times a day. You can also run the process manually. Refer to the [“Running the ARUpdate Process”](#) topic for assistance.