Apply Payment On Account

This guide covers applying a payment “On Account” using a payment worksheet.

When entering a regular deposit, you may not know specific details about how the payment should be applied. For these circumstances it will be necessary to apply the payment at a higher level, such as the Business Unit or customer level.

If a payment has been received for an unidentified AR Item but the customer is known, the corresponding information for the customer and the Business Unit will be entered on the deposit. This limited information will be used to apply the payment “On-Account”. Later, the On Account item can be applied to the appropriate item or refunded.

When a customer pays more than the amount of the invoice, you will apply the overage “On Account”.

Steps to complete:

- Step 1: Navigate to the Create Worksheet page for the Payment
- Step 2: Apply the Payment to the Customer Account on the Worksheet Application page
- Step 3: Select a Posting Action for the Worksheet on the Worksheet Action page

Step 1: Navigate to the Create Worksheet page for the Payment

The example used in this guide is that the customer has paid more than the invoice amount.

1. Navigate to the Create Worksheet page for the payment using one of the options below.

<table>
<thead>
<tr>
<th>Navigation Options</th>
<th>Navigation Path</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Navigation Collection</strong></td>
<td>Accounting, Accounts Receivable, Enter and Complete Payments, left-menu, Apply Payments, Create Worksheet.</td>
</tr>
<tr>
<td><strong>WorkCenter</strong></td>
<td>Accounting, Accounts Receivable, Receivables WorkCenter, left-menu, Links section, Complete Payments, Create Worksheet.</td>
</tr>
</tbody>
</table>

- Note: If you are navigating directly from the deposit, the search criteria will be automatically supplied so you can click on the Search button and proceed to Step 2.

2. Accept the default Deposit Unit or enter a Deposit Unit.

3. Enter a Deposit ID or click on the Lookup icon to search for and select a Deposit ID.

**Note:** Other fields can be entered to narrow your search, if you don’t know the Deposit ID.
4. Click on the **Search** button.

5. If necessary, click on the link for the **Deposit ID** in the search results. The **Payment Worksheet Selection** page displays with the customer reference information that was entered when the deposit was created.
6. After ensuring that the Customer/Reference information is entered on the Payment Worksheet Selection page, click on the **Build** button.
Step 2: Apply the Payment to the Customer Account on the Worksheet Application page

After clicking on the Build button, the Payment Worksheet Application page displays.

- Notice that in the Balance section the invoice amount selected is less than the amount paid and there is a remaining amount. The amount that the customer paid over the invoice amount must be applied to the customer’s account. The Remaining amount must be “0” before we can proceed to the next step.

  1. In the Item List section, click on the Add New Row Plus (+) icon. (Note: The Add with Detail button is not used in Minnesota.)

  2. At the Add New Row dialog, accept “1” at the prompt verifying that you would like to add one row.

  3. Click on the OK button. You are returned to the Payment Worksheet Application page on the new row.

  4. Complete the row fields as described below.

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Field Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Amt</td>
<td>Enter the negative amount for the credit.</td>
</tr>
<tr>
<td>Entry Type</td>
<td>Select “OA – On Account.”</td>
</tr>
<tr>
<td>Field Name</td>
<td>Field Description</td>
</tr>
<tr>
<td>------------</td>
<td>-------------------</td>
</tr>
<tr>
<td>Item ID</td>
<td>After selecting the “OA” Entry Type, the system will automatically generate a new Item ID; for example, “OA-49”.</td>
</tr>
<tr>
<td>Reason</td>
<td>Select a reason code. Generally, you will use the “OVRPY” (Overpayment).</td>
</tr>
</tbody>
</table>

5. Click on the Save button.

- The Remaining Amount is now “0”. The On Account credit amount is selected to be processed.

**Step 3: Select a Posting Action for the Worksheet on the Worksheet Action page**

Next, use the Worksheet Action page to set the transaction for posting.

1. Click on the Worksheet Action link.
2. **WARNING!** Make sure to select "**Batch Standard**" for the **Action**.
3. Click on the **OK** button.
4. Click on the **Save** button.
   - After the ARUpdate process picks up the payment, it will be posted to the customer’s account. The Item will have a “Closed” Status and the “On Account” credit will have an “Open” Status. The below print screen is from the Item List Inquiry (Navigation: Review Payments and Items Navigation Collection, Customer Accounts, Item List).