

**Work Instruction**

**Credit Memo**

**FB65**

**When to Use**

Use this procedure to apply a credit to an account for returned goods or overpayments.

**Steps**

- Determine the AMS accounts to be used in the transaction posting (i.e. Vendor Account, General Ledger accounts, Funds Center, Fund (if applicable), Cost Center or Internal Order). These accounts are usually the same as the original payment.
- Obtain the appropriate authorization to process the credit memo.
- Process the credit memo in FIS.
- Record the FIS document number on the credit memo and file the document in accordance with the UofT file plan.

**Menu Path**

Use the following menu path(s) to begin this transaction:

- **Accounting → Financial Accounting → Accounts Payable → Document entry → Credit Memo**

**Transaction Code**

**FB65**

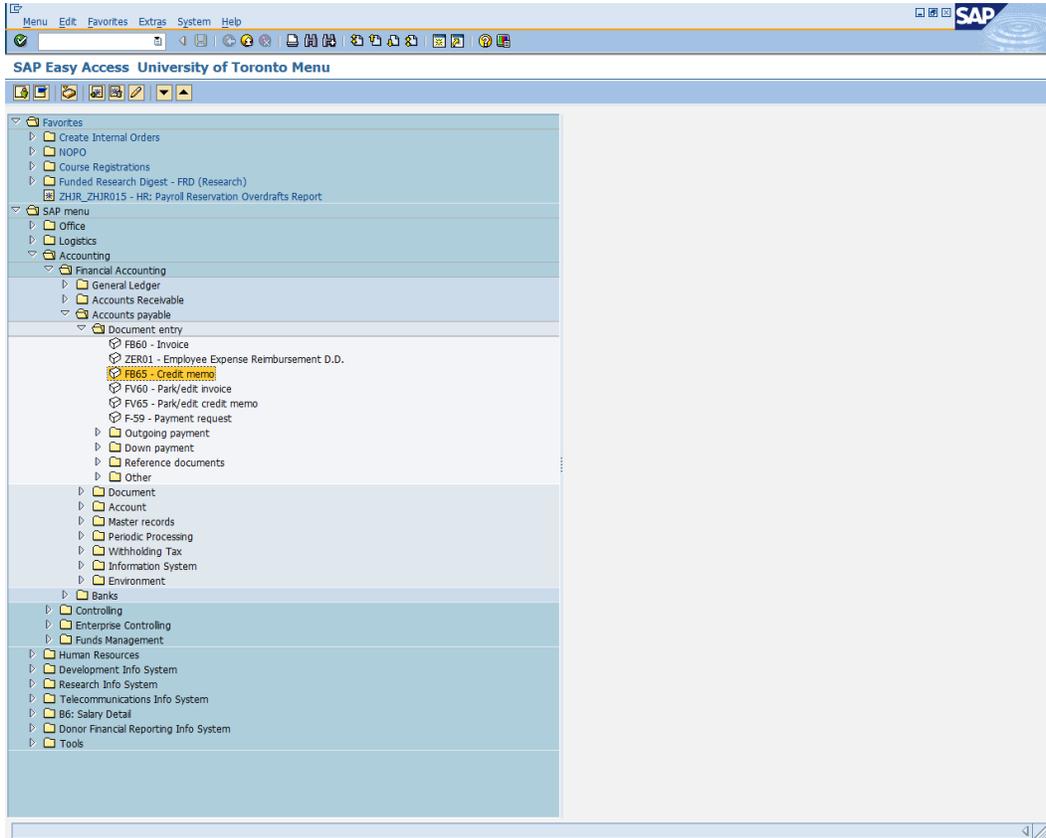
**Helpful Hints**

- Credit memos can **only** be applied to permanent vendor accounts (i.e. One Time Only accounts cannot be used).
- Alternate Payee function should not be used when processing Credit Memos.
- When processing a credit memo, it is not necessary to complete all tab sections. Simply fill in the **Basic data** tab and the account information in the bottom section then save.

## Detailed Procedure

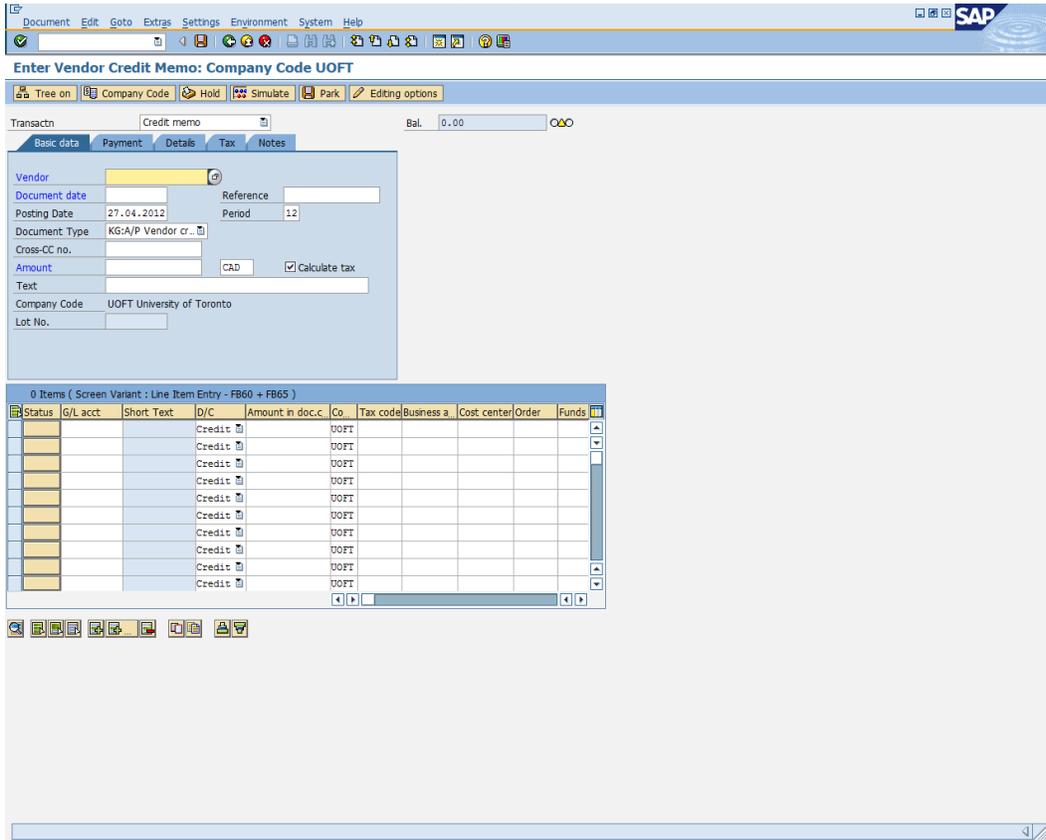
1. Start the transaction using the menu path or transaction code.

### SAP Easy Access University of Toronto Menu



2. Double-click  **FB65 - Credit memo** .

### Enter Vendor Credit Memo: Company Code UOFT



Document Edit Goto Extras Settings Environment System Help

Enter Vendor Credit Memo: Company Code UOFT

Tree on Company Code Hold Simulate Park Editing options

Transactn Credit memo Bal. 0.00

Basic data Payment Details Tax Notes

Vendor 

Document date Reference

Posting Date 27.04.2012 Period 12

Document Type KG: A/P Vendor cr...

Cross-CC no.

Amount CAD  Calculate tax

Text

Company Code UOFT University of Toronto

Lot No.

0 Items ( Screen Variant : Line Item Entry - FB60 + FB65 )

Status	G/L acct	Short Text	D/C	Amount in doc.c.	Co.	Tax code	Business a.	Cost center	Order	Funds
			Credit		UOFT					
			Credit		UOFT					
			Credit		UOFT					
			Credit		UOFT					
			Credit		UOFT					
			Credit		UOFT					
			Credit		UOFT					
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			Credit		UOFT					

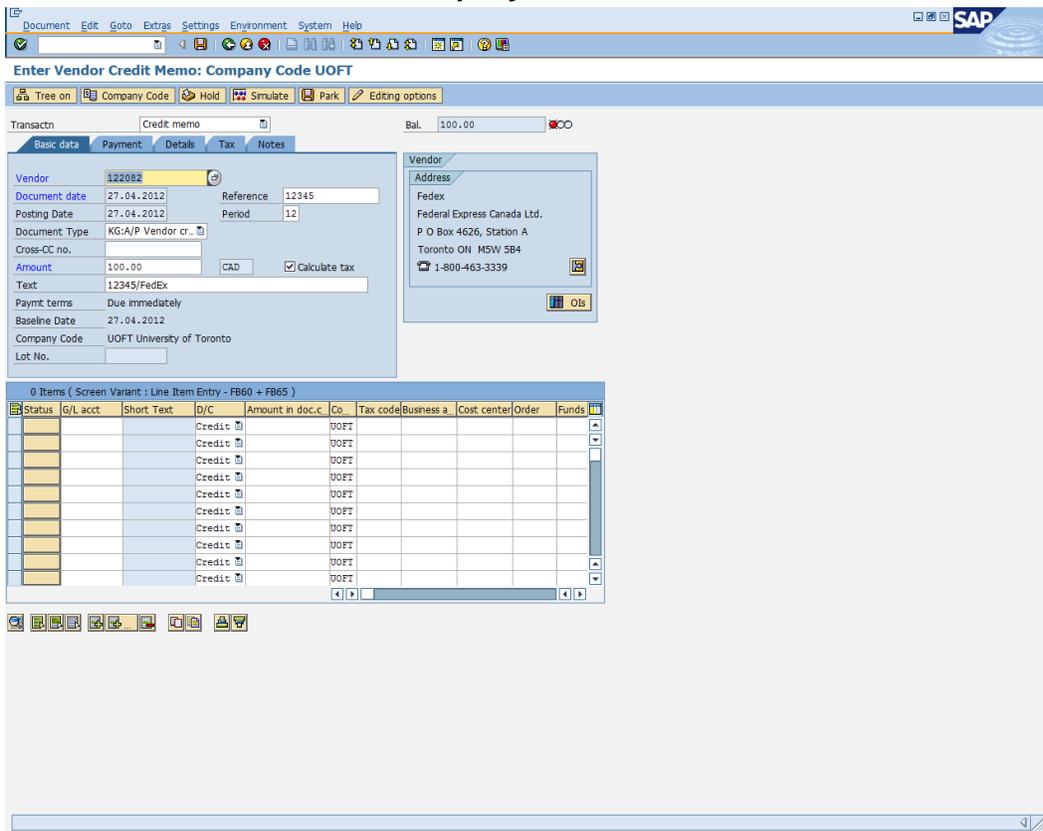
3. On the **Basic data** tab, complete the following as required:

Field Name	Required/Optional/Conditional	Description
Vendor	Required	<p>The FIS vendor account number; if the vendor account number is unknown use the matchcode button to search. Ensure that the vendor name, address and payment currency on the invoice matches the vendor information in FIS;</p>  <p>Alternate payee function should not be used when processing credit memos. By customizing the address information, the credit memo will not be applied against the standard vendor balance.</p>
Document date	Required	Document creation date or Customer/Supplier date.
Reference	Required	<p>Used to refer to source document or transaction description.</p>  <p>This field is used by the vendor to identify the credit memo and should be entered exactly as it appears on the note.</p>
Posting Date	Required	Date the financial transaction is recorded.
Period	Required	The numerical position of the month in the fiscal year (i.e. May=1, June=2, etc.). Defaults to the current period and should not be changed.
Document Type	Required	<p>Document transaction indicator. It determines the document number range. More information on document types and what they mean can be found at: <a href="http://finance.utoronto.ca/faqs/procntl-entries-and-document-types/#1">http://finance.utoronto.ca/faqs/procntl-entries-and-document-types/#1</a></p>  <p>Defaults to <b>KG:A/P Vendor credit</b> and should not be changed.</p>
Currency	Required	Defaults to CAD. Use the matchcode button to select a different currency.
Amount	Required	<p>Line item amount in document currency.</p>  <p>Total amount of refund including taxes</p>

Field Name	Required/Optional/Conditional	Description
Text	Required	Line item specific explanatory description (e.g. Invoice number, Vendor Name, brief description).

4. Click  or Enter to validate the basic data tab information and verify the Vendor data.

### Enter Vendor Credit Memo: Company Code UOFT



0 Items ( Screen Variant : Line Item Entry - FB60 + FB65 )

Status	G/L acct	Short Text	D/C	Amount in doc.c.	Co	Tax code	Business a.	Cost center	Order	Funds
		Credit			UOFT					
		Credit			UOFT					
		Credit			UOFT					
		Credit			UOFT					
		Credit			UOFT					
		Credit			UOFT					
		Credit			UOFT					
		Credit			UOFT					
		Credit			UOFT					
		Credit			UOFT					



If any of the following messages appear after validating the basic data tab, they must be corrected or acknowledged before proceeding:



Hard error; must be corrected before continuing with the transaction. If the error message is unclear, contact your FAST team representative for support.



Warning message; acknowledge the message by pressing enter.

5. After messages are cleared, complete the following as required for each line of the transaction:

Field Name	Required/Optional/Conditional	Description
G/L acct	Required	A six digit code used to provide detail on the type of financial activity incurred (e.g. grants, donations and computer supplies). Instructions on how to create a list of G/Ls and descriptions can be found at: <a href="http://finance.utoronto.ca/wp-content/uploads/2015/09/glacctstext.pdf">http://finance.utoronto.ca/wp-content/uploads/2015/09/glacctstext.pdf</a>
D/C	Required	Debit or credit indicator for transaction line items.  Defaults to <b>Credit</b>
Amount in doc.curr.	Required	Line item amount in document currency.  Amount including taxes.
Tax code	Required	Tax category that identifies the applicable tax rate. A list of frequently used tax codes can be found at: <a href="http://finance.utoronto.ca/wp-content/uploads/2015/09/hstcodes1.pdf">http://finance.utoronto.ca/wp-content/uploads/2015/09/hstcodes1.pdf</a>
Business area	Required	Defaults from the Cost Center. If no Cost Center defined, 1000 = non-ancillary, 1001 - 1999 = ancillaries. UofT uses business area codes to distinguish the financial activity for each ancillary operating unit (i.e. residences, conferences, parking, food and beverage and real estate) from the rest of the financial activity at UofT (i.e. Operating, Capital and Restricted funds).
Cost center	Conditional	A five or six digit code that represents an organizational unit or program and tracks activity on a fiscal year basis. Financial transactions post to EITHER a Cost Center OR an Internal Order but NOT both.
Order	Conditional	A six digit code that represents an organizational unit or program and tracks activity on a non-fiscal year basis, i.e. short term or ongoing basis. Financial transactions post to EITHER a Cost Center OR an Internal Order, but NOT both.

Field Name	Required/Optional/Conditional	Description
Funds center	Required	A six digit code, starting with "1" or "2" used to record the funding and spending transactions for financial activity reported on a fiscal year basis (e.g. ancillary and principal investigator (PI)).
Fund	Conditional	A six digit code, starting with "3" or "4" used to record the funding and spending transactions for financial activity which typically spans more than 1 fiscal year (e.g. conference and research).
Commitment itm	Required	Defaults based on G/L Account and can be overwritten. An alphabetic code used to (1) group similar G/L Accounts for summary reporting purposes (e.g. Supplies) and (2) segregate budget dollars for special purpose spending (i.e. EXP-UTFA and SPECIALS within a Funds Center or Fund).
Assignment no.	Optional	A text field that can be used to track and report on line item postings. Field is case sensitive and allows 18 characters. Previously referred to as the allocation field.
Text	Optional	Line item specific explanatory description (e.g. Invoice number, Vendor Name, brief description).
Earmarked funds	Optional	A document entered that reserves budget for expected expenses. Referencing the document number in a financial transaction will reduce the reserved amount. Also referred to as a Manual Reserve.
Earmarked funds: Document item	Optional	The appropriate line item on manual reserves with multiple line items. No entry is required for manual reserves with only one line item.

6. The following processing options are available:

Action	Icon	Description
Post		Posts the document and provides a document number. Record document number on original document and file.
Hold Doc.		<p>Holds the document using a user defined temporary document number. A document does not have to be balanced in order to be held. The document can retrieved using the temporary document number and processing can be completed. There is no impact on funds availability.</p> <p> A pop-up window will be generated where you can name the document. Record the self-generated document name on your backup documentation.</p>
Simulate Doc.		Simulating calculates and displays additional postings that would be generated upon posting (i.e. tax implications based on tax codes used) and display them as part of the Document Overview screen for review prior to posting.
Park Doc.		<p>This is the process used for electronic signatures. Parks the document and assigns a system generated document number which will become the document number assigned to the financial transaction once the parked document is posted. The parked document can be retrieved using the system document number by the original user or by another user.</p> <p> A system generated document number will appear on the bottom of the screen. Record the document number on your backup.</p>

**End of procedure.**

#### Resource Information:



Contact your FAST team representative for additional assistance using this function.  
<http://finance.utoronto.ca/fast/fast-team-contacts-and-faculty-representatives/>

#### Reference Guides:

Invoice Create:

<http://finance.utoronto.ca/wp-content/uploads/2015/09/create.pdf>

Document Display:

<http://finance.utoronto.ca/wp-content/uploads/2015/11/docdisplayje.pdf>

Processing Expense Reimbursements, Imprest Accounts and Petty Cash:

<http://finance.utoronto.ca/fast/support-documentation/financial-accounting/accounts-payable/reimbursements/>