## Business Process Flow

### Vendor Credit Memo

**Disbursing**

<table>
<thead>
<tr>
<th>Business Unit(s)</th>
<th>Disbursing, Campus Departments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Short Description of Business</strong></td>
<td>Applying vendor credit memos to either PO’s, PREQ’s or Vendors</td>
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<tr>
<td>Process</td>
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<tr>
<td>Date</td>
<td>June 7, 2012</td>
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</table>
Vendor Credit Memo

Start

Vendor sends credit memo to Disbursing for returned goods, overpayment, etc

Credit Memo is received in Disbursing

Search for PO in KFS

Contact vendor to obtain PO number or department contact

PO # on CM?

NO

YES

PO Closed?

NO

YES

Review PO and related PREQS

Enter the Credit memo in KFS against either the PO#, PREQ# or Vendor#

Payment is extracted to PDP and check or ach is issued

Check cut to vendor reflecting all debits and credits on check stub, or ACH payment issued.

End of Process

End of Process

Apply Credit Memo

Contact Department to determine if credit memo should be taken and get accounting information

Credit Memo is sent by Disbursing to dept. and retained by FO until it can be applied to another PO and records PO number of Credit Memo

FYI notification for CM

Credit Memo is received in Disbursing

Search for PO in KFS

Contact vendor to obtain PO number or department contact

PO # on CM?

NO

YES

PO Closed?

NO

YES

Review PO and related PREQS

Enter the Credit memo in KFS against either the PO#, PREQ# or Vendor#

Payment is extracted to PDP and check or ach is issued

Check cut to vendor reflecting all debits and credits on check stub, or ACH payment issued.

End of Process

End of Process
**Vendor Credit Memo:**

- Vendors send credit memos to Disbursing for returned goods, overpayment, etc.

- Disbursing searches for a related PO, if no PO# is found department is contacted to obtain the PO number

  - If the PO is closed, 1) Department can provide the accounting line information for the credit memo to be processed or 2) Department can retain CM until another PO with payment is generated to apply CM to against.

  - If the PO is open, the department is contacted for accounting information and credit is applied against the PO

- Disbursing reviews the PO and any related payment requests and the credit memo is entered in KFS against either the PO, the PREQ or the Vendor

- Payment is extracted to PDP and either a check or an ACH is used

- Check is cut to vendor reflecting all debits and credit on check stub or an ACH payment is issued