



Step	Action
1	<p>When a supplier issues a Credit Memo for items returned or not received, the Credit Memo should be applied towards the next order with the supplier.</p> <p>Hint: If you made a one-time order with the supplier or don't intend to order from them again in the near future, request that a check be sent to refund the amount rather than a Credit Memo. The check should be deposited and applied toward the chartfield spread used on the original expense.</p>
2	<p>To ensure that suppliers understand when a Credit Memo is being applied, the invoice convention used should reflect both the invoice being paid and the Credit Memo being applied, resulting in the net amount.</p>
3	<p>When entering in a Regular Voucher, use the invoice convention of the invoice number being paid followed by the letters CM, to represent Credit Memo, and then the Credit Memo number. Example: SR852746CM122409.</p>
4	<p>The total amount on the voucher should be the invoice minus the credit memo. Example: Invoice = \$1,250, Credit Memo = \$250, Voucher Total = \$1,000.</p>
5	<p>When receiving against a Purchase Order, both the Credit Memo and invoice should be attached during receiving. The net price/quantity should be received to appropriately apply the Credit Memo.</p>