QUICK REFERENCE GUIDE

February 20, 2024

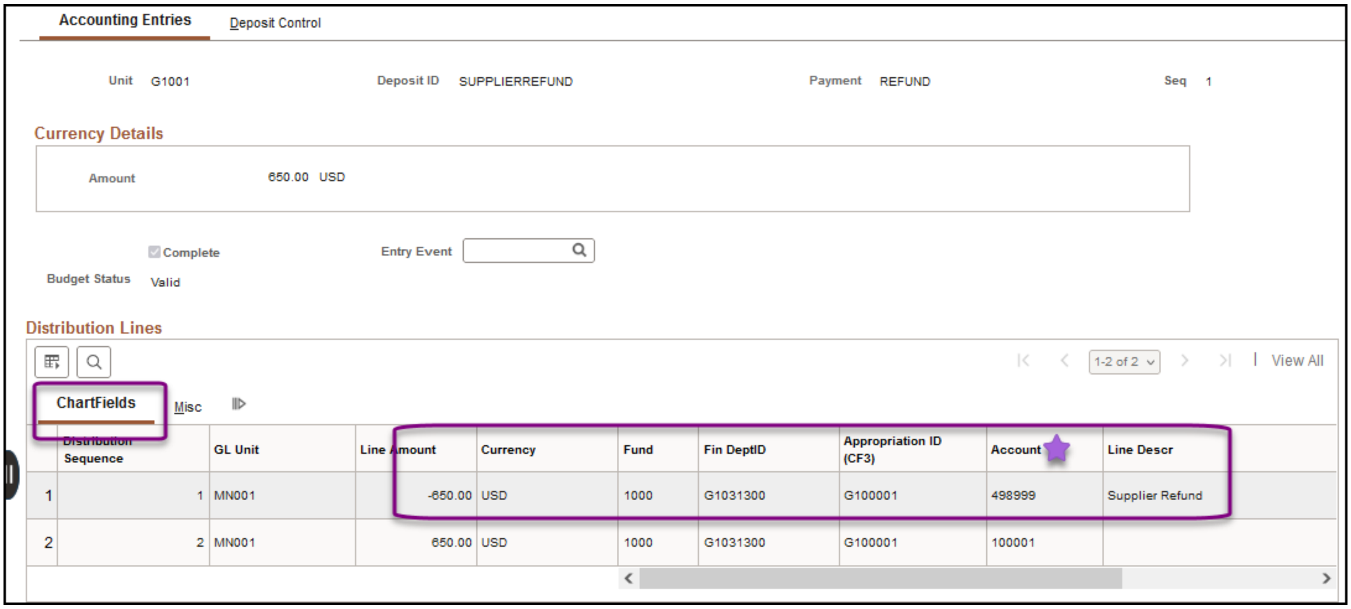
Process a Supplier Refund

There are times when a supplier refunds a payment or overpayment. Typically, the supplier sends a refund check to the agency. To record the refund, agency staff need to use both the Accounts Receivable and Accounts Payable modules.

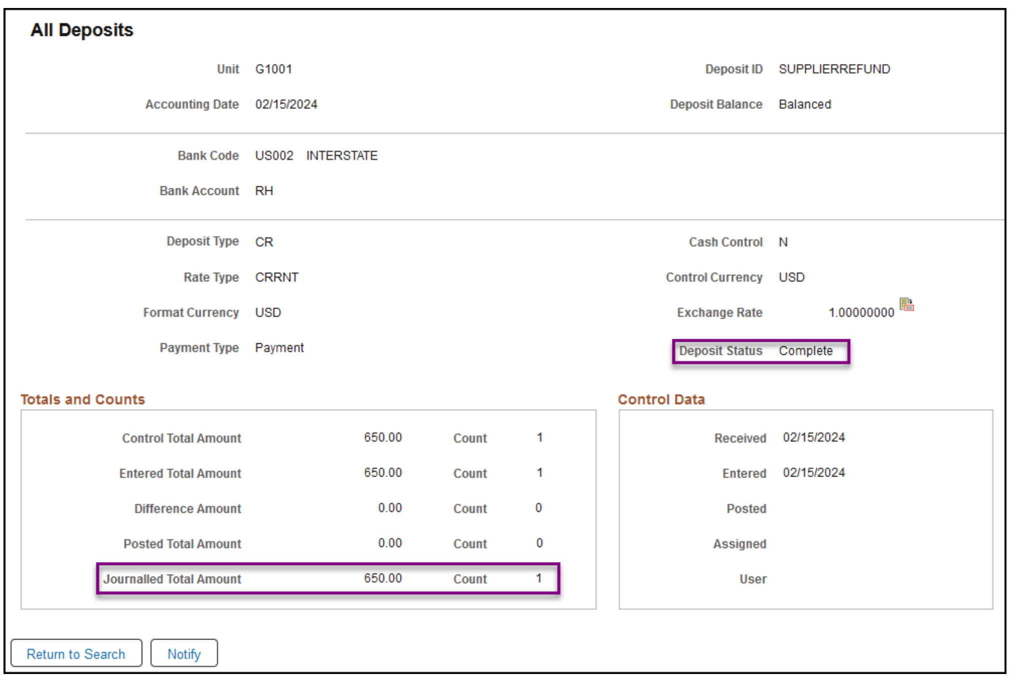
This guide summarizes the steps to process a refund payment from a supplier. Use this procedure to process a full or partial refund. Use Account 498999 for both Accounts Receivable and Accounts Payable. If the Account used in the original voucher is 1099 reportable, the journal voucher fixes any 1099 implications from the Account.

Step 1. Enter a Direct Journal Deposit in Accounts Receivable

1. To make a Direct Journal Payment deposit, you'll need the following information from the original voucher:
   - Fund Code
   - Financial Department ID
   - Appropriation Code
   - Budget Date
   - Project or other ChartFields from the original voucher as needed.
2. From the Account Receivables module, enter a direct journal deposit as you normally would using the Regular Deposit page and include the supplier's payment information. Refer to the Create a Direct Journal Deposit Quick Reference Guide for more information.
3. Create the accounting entries for a Direct Journal Payment deposit. Use the original funding string, except the Account field, from the State's payment to the supplier. It is important to enter "498999" (Reverse 1099 Expenditure) in the Account field. Allow the Accounting Date to default to the current date.



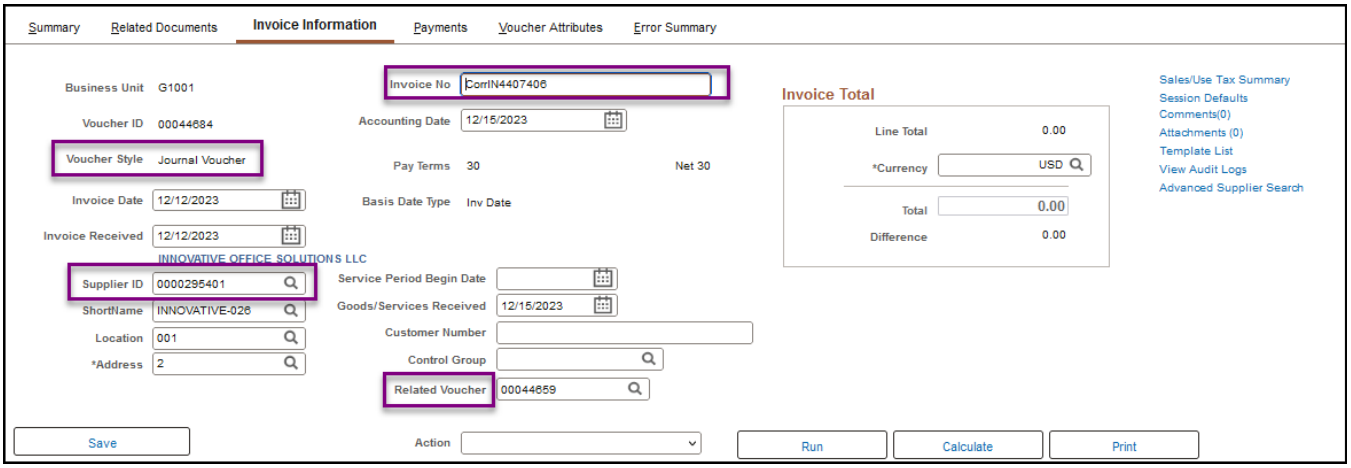
4. Verify that the direct journal deposit is “Complete.”



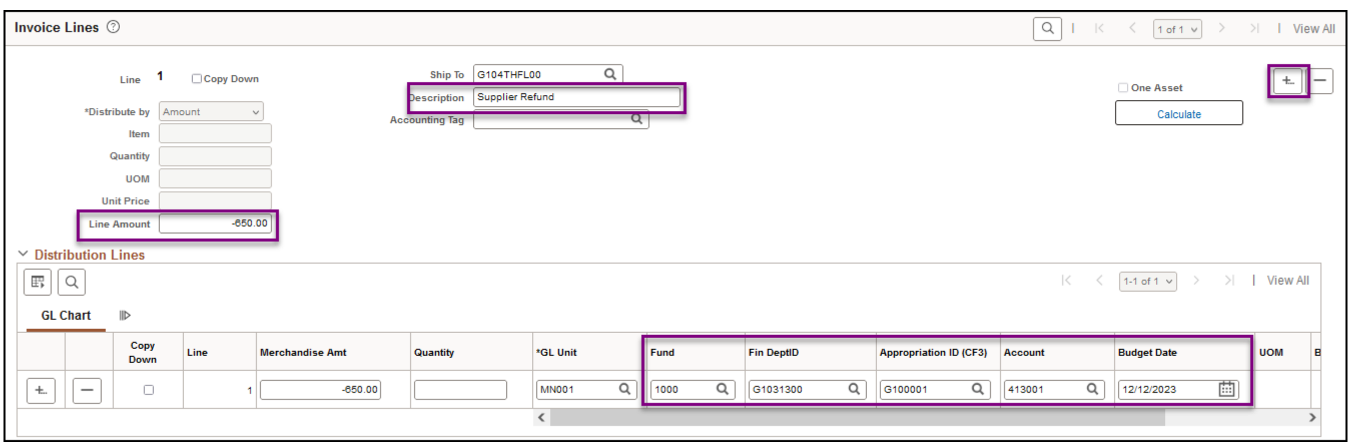
Step 2: Enter a Journal Voucher in Accounts Payable

1. From the Account Payable module, enter a direct journal voucher as you normally would using the Regular Entry page. Select the “Journal Voucher” option from the drop-down list. Refer to the Voucher Entry – Direct Journal Quick Reference Guide for more information.
2. SWIFT opens the Vouchers page. In the Invoice Information section, enter the following information on the header. The Voucher Style should be “Journal Voucher.” If not, start over.

a. Enter the Supplier ID.
b. In the Related Voucher field, enter the Voucher ID of the original voucher.
c. Enter the rest of the required fields on the header.



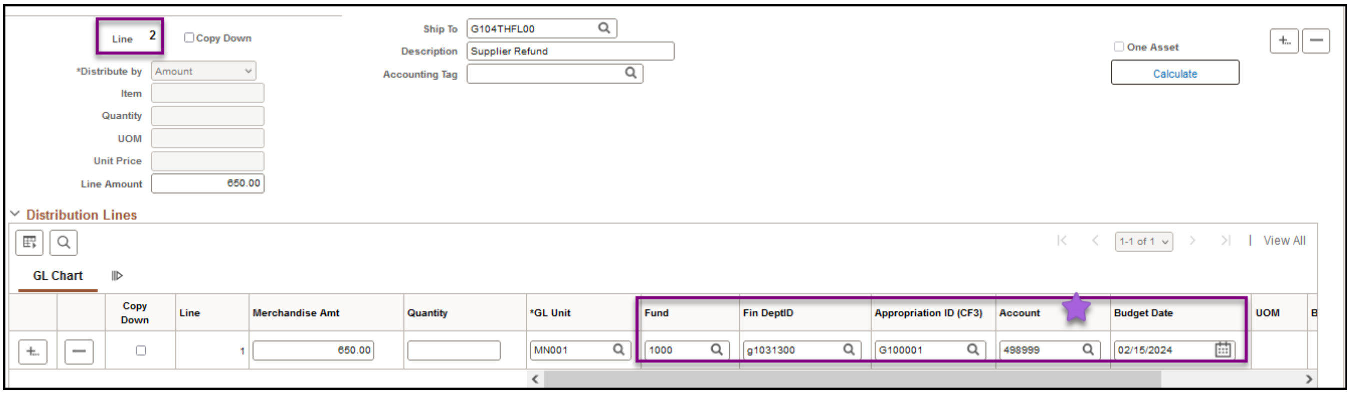
3. Update the current line in the Invoice Lines section.
   a. In the Line Amount field, enter a negative amount to reflect the amount of the refund.
   b. In the Description field, enter a description of the journal voucher to explain what is being corrected from the original voucher (e.g., Refund payment).
   c. In the Distribution Lines section, fill out the following ChartFields to exactly match the funding string from the original voucher including the original Account.
   d. Make sure to add Project or other ChartFields from the original voucher as needed.
   e. Use the original Budget Date on this line.
4. On the Invoice Lines section, use the “+” icon, add a new row to correspond to the refund information.



5. A new line is added. In the Line Amount field, enter a positive amount to reflect the refund amount.
   a. In the Description field, enter a description of the journal voucher to explain what is being corrected from the original voucher, for example, referencing a refund to the original invoice.

b. Fill out the following ChartFields identical to the funding string from the original voucher, except the Account. Enter “498999” for the line with the positive amount on the journal voucher for refunding a payment.

c. Use the current date in the Budget Date field for this line.



6. Continue processing the journal voucher as required. The Invoice Total on the header should be “0.00.”