



Overview & Objective – The purpose of this I M & U is to demonstrate the application of AP Debit and Credit Memos to outstanding invoices. This procedure succeeds **Creating AP Debit and Credit Memos**.

Procedural Note – Unless these procedures are preceded by *creation* of the Debit or Credit Memo (see IM&U: Creating Debit & Credit Memos) no adjustment will be recognized. *Application must follow creation.*

Initial Navigation – To navigate to the Select Bills to Pay screen (from the Accounting Console):

1. Go to the Applications dropdown
2. Select the Accounts Payable Module
3. Under Activities, click on the Select Bills to Pay (link)

Selecting Invoices for Application of Debit and Credit Memos – The title “Select Bills to Pay” should appear in the upper left hand corner. Unless the User wants to filter on a vendor(s), click the [View] (button) in the upper right hand corner (presents all possible payments). The title “Pay Bills” should appear in the upper left hand corner, proceed as follows:

1. Scroll to the invoice for which the Debit or Credit Memo will be applied.
2. Click on the Split (link) which is to the right of the specific invoice you have scrolled.

Selecting Line Items – The title “Split Payment by Line Item” should appear in the upper left hand corner, proceed as follows:

1. In the *bottom portion of the screen* the title “Credit Available to Apply: [dollar amount]” should appear.
 - a. Mark the “Apply Full” checkbox for any Advance you want fully applied **OR** enter a specific amount to apply in the “Amount to Apply” field itself.
 - b. Click the [Apply] (button)
 - i. The Adjustment amount will now appear in the “Credits Applied” field (*top portion of the screen*)
2. In the *top portion of the screen*:
 - a. Do NOT mark the checkbox “Pay Full” (leave this field blank)
3. Click the [Done] (button) in the upper right hand corner of the screen

Note: A dialog box will appear “Are you sure you want to leave this page?” Click, “**Leave this page.**” The screen action will move back to the Pay Bills Screen.

Final Application Selection – The title “Pay Bills” should appear in the upper left hand corner, proceed as follows:

1. The checkbox for the selected invoice should appear **grayed out or cannot be marked**, and the amount of the Memo(s) applied should appear in the “*Credit to Apply*” field.
2. Click the [Save] (button) in the upper right hand corner.

⇒ The GL will now reflect an adjustment to the specified account and the AP trade account.

Overview of Process – An overview of the AP **enter-to-adjust process**:

Enter Bills/Payments ⇒ Create AP Debit or Credit Memo ⇒ Apply AP Debit or Credit Memo

Further Instruction & Use – For further information regarding Applying AP Debit and Credit Memos contact The NDH Group, Ltd. at 312.461.0505 or on the web: <http://www.ndhcpa.com>.