



United States
Department of
Agriculture

Office of the
Chief Financial
Officer

Associate Chief
Financial Officer –
Financial Operations

Washington D.C.
20250



Configuration Decision: OCFO 09-09

Date:

To: USDA Agencies

Subject: Financial Management Modernization Initiative (FMFI) Processing Credit Memos

Background:

The current procedure requires that agencies issue a bill when a refund is due as the vendor and customer share the same vendor record.

Decision:

In FMFI the following procedures will be followed when processing a credit memo:

- For Accounts Payable (A/P) – If a vendor issues a credit memo to USDA, A/P personnel may use it to offset a future payment. If it is determined that USDA will not be able to apply the credit memo against a future payment, A/P personnel will process a transaction that will become a refund receivable from the vendor.
- For Accounts Receivable (A/R) – If it is determined that a customer has overpaid USDA, A/R personnel will process a transaction that will become a credit memo to the customer. If it is determine that a customer will not be able to apply the credit memo against future transactions, A/R personnel may process a transaction that will refund the money to the customer.

INQUIRIES

Questions concerning this configuration decision should be directed to Systems Analysis and Requirements Division at (202) 205-4830.

EFFECTIVE DATE

This configuration decision is effective immediately.

/s/

JOHN G. BREWER
Associate Chief Financial Officer for Financial Operations

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