Chapter 4

Managing Payment Worksheets

4.1

Chapter Overview

In PeopleSoft Receivables, you use workspaces called worksheets to work with payments, items, drafts, direct debits and doubtful receivables. Payment worksheets pair open items to unapplied payments. When payments do not contain enough identifying information to readily apply them, the payment worksheet provides the answer. With the worksheet feature, you enter whatever information you have, such as customer name, business unit and any reference numbers. PeopleSoft Receivables then displays all of the open items that meet those criteria. You can then make selections, apply the payment, make adjustments and create new open items.

Chapter Objectives

By the end of this lesson, you will be able to:

- Build payment worksheets.
- Apply full payments.
- Analyze overpayments.
- Analyze underpayments.
- Perform payment inquiries.

Building Payment Worksheets

What can you do with a payment worksheet? Here are some of the possibilities:

Pay items (completely or partially).	Create adjustments (debit or credit).
Apply earned or unearned discounts.	Create a deduction.
Create prepayments.	Write-off remaining balance (debit or credit amount).
Create on account payments.	

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This table displays the ways that you can process payments using worksheets:

Payment Type	Payment Processing Options
Exact Payment	Pay one or more items exactly.
Overpayment	Pay an item and create an adjustment for the overpayment. Pay an item and create an on-account item for the overpayment. Pay an item and create a prepayment for the overpayment. Pay an item and partially pay another. Pay an item and write off the remaining balance. Create an on-account item for the remaining payment.
Underpayment	Pay an item partially. Pay an item partially and write off the remaining balance. Pay an item and create an adjustment for the underpayment Pay an item and create a deduction for the underpayment.
Unidentified Payment	Create an on-account item for the entire amount. Create a prepayment for the entire amount.

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Payment Worksheet

A payment worksheet is a cash application environment, an alternative to applying payments through Express Deposit or with the Payment Predictor process. Usually payment worksheets use information about customers and items to apply payments. However the flexibility of the payment worksheet enables users to perform a variety of functions.

Users may need to handle underpayments, overpayments and discounts, or at some point they might have a small remaining balance, but will not see an open item they want to use to write off the balance. In this situation, Payment worksheets can allow discounts or enable a user to add an item to the worksheet to write-off the remaining balance. A blank worksheet can be built for the customer to apply any prepayments to their accounts.

There are three main pages used when working with a Payment Worksheet.

1. The Worksheet Selection page allows users to select items to work with, provide any additional customer or identifying data and then build the worksheet.
2. The Worksheet Application page opens after selecting the Build button. This page serves as a workspace for applying the payments, making any adjustments, etc.
3. The Worksheet Action page sets the worksheet to post. This is done after identifying the payments and items for processing, making any adjustments, and the verifying that the worksheet totals are balanced.

The Worksheet Selection page has three main regions:

- A region to enter and view customer criteria.
- An item reference criteria region.
- An item inclusion (and exclusion) region.

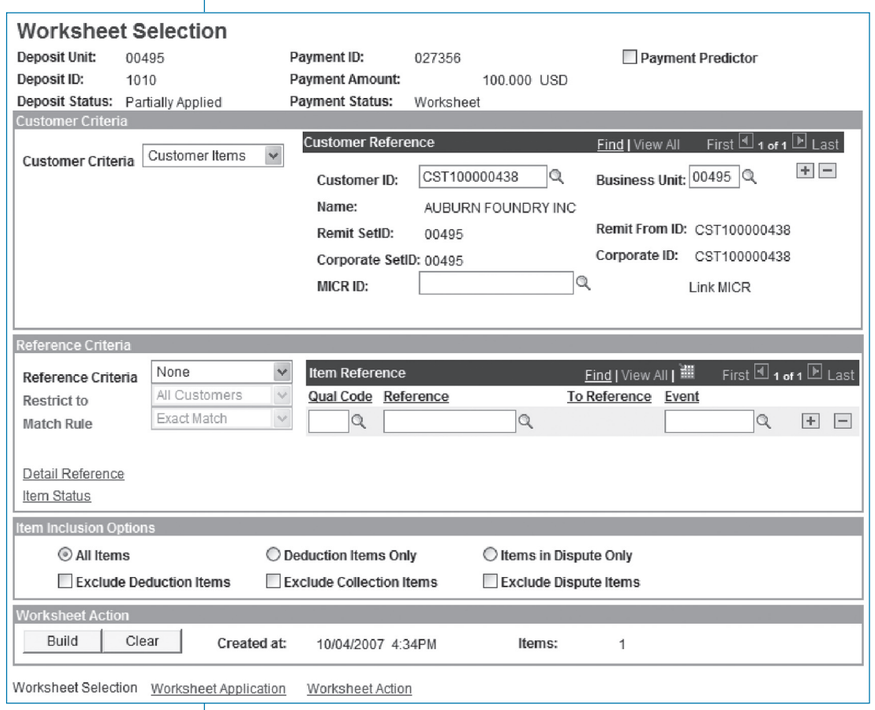
Use the criteria in these regions to construct your worksheet.

How to Get There

Use this page to enter payment information on the Worksheet Selection page.

Navigation

Accounts Receivable >> Payments >> Apply Payments >> Create Worksheet



ARSC30 Worksheet Selection page

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Additional Items of Interest

The Payment Worksheet selection page

Notice that the Worksheet Selection page is keyed by the deposit business unit. Payment worksheets are not for the entire deposit, they are for the individual payments contained in the deposit.

NOTE

The Worksheet Selection page and the Payments page in Regular and Express Deposit Entry both have the Payment Predictor check box. Selecting the option on either of these pages, automatically selects the check box on the other page.

The Reference Criteria region: Specify reference information, such as PO#, Item ID, etc.

The Detail Reference link opens a new window with a simplified version of the worksheet page. It allows a user to enter reference information for a large number of items.

The Item Status link works in conjunction with the detail reference link. After the user has entered a number of reference items using the Detail Reference link, selecting the Item Status link displays those items from the Item Reference portion of the Worksheet Selection page that are not open on the ITEM table. This lets the user view details about items that have been paid and that were received electronically or to determine whether to delete items on the Detail Reference Information page.

The Item Inclusion group box indicates the types of items to include in the worksheet.

Selecting the All Items check box allows the user to exclude deductions, disputed items or items in collection from the worksheet.

The Payment Worksheet provides the means to limit and sort the item information that you requested on the Worksheet Selection page.

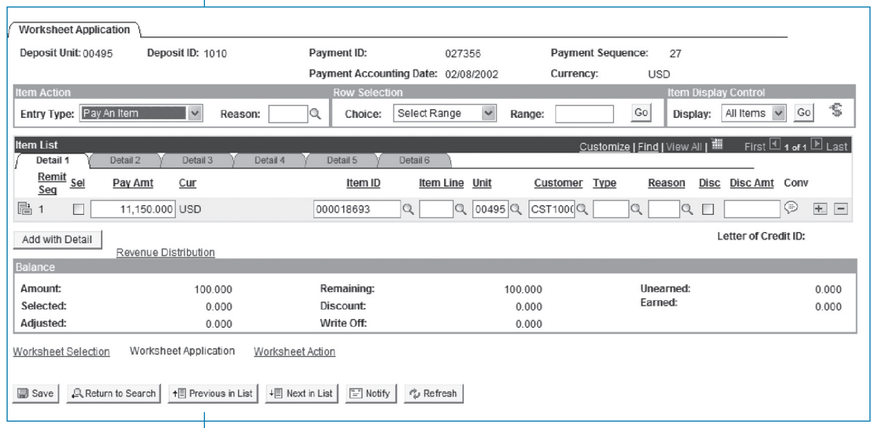
It also provides the flexibility to review much of the data associated with the item without ever leaving the Worksheet Application page.

How to Get There

Use this page to select open items for payment application, create new items and perform write-offs.

Navigation

Click the Build button on the Worksheet Selection page.



ARSC31 Worksheet Application page

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Use this page to achieve a zero balance with the items and the payments contained on the worksheet. An out of balance worksheet cannot be posted. Achieving this may be as simple as selecting the item or items that equal the payment amount, or it may require selecting an item, and creating a new item for the remaining amount, or writing off the remaining amount.

The Amount is the amount of the customer payment. In this example, the Amount is 100.00. The Remaining is remainder of the payment that has yet to be applied. In this example, the Remainder is same as the payment Amount which is 100.00. The goal of a Payment Worksheet is to get the Remaining to 0.00. This can be done by matching the payment perfectly to an item in the same amount or partially paying item(s) until the Remaining amount of the payment equals 0.00. Remember, the focus of the Payment Worksheet is on the Payment, not the items in which it is paying.

Item Display or Sort Controls

Item List

The item list section displays all of the items that meet the specified criteria. Manipulate the information with the Display Control fields.

The Sel (Select) check box identifies the items that will be matched to the payment. If the item(s) and payment batch exactly, select the item(s), verify the worksheet has a “0” amount in the Remaining field of the Balance group box, then post the worksheet.

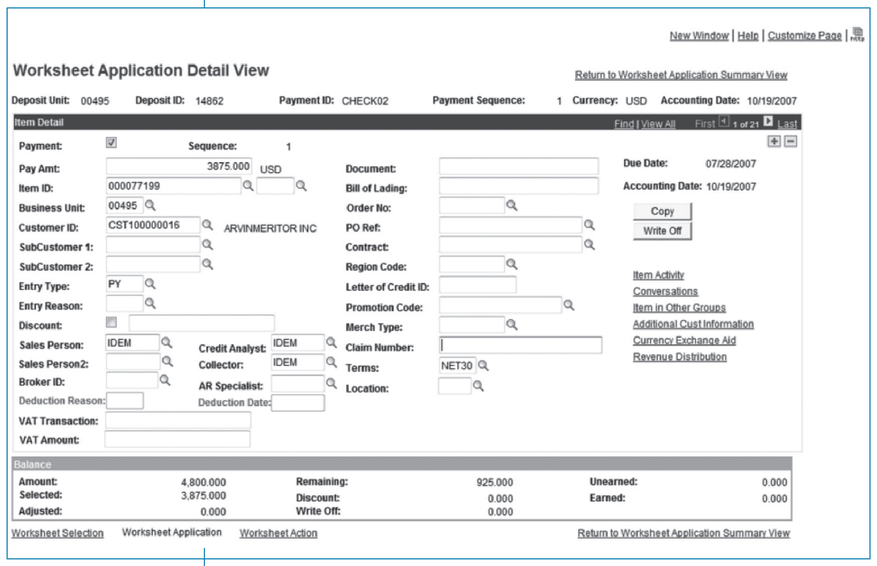
The Detail View page and its associated links enable you to work with an item in a variety of ways without ever leaving the worksheet.

How to Get There:

Use this page of the Payment Worksheet to review or change details regarding the specific item on the worksheet.

Navigation

Click the View Detail icon on the Worksheet Application page.



ARSC32 Worksheet Application Detail View page

Using the Detail View page

The main section of this page is the Item Detail information. When a user navigates to this page for a pre-existing item, the system populates the fields with any information that was attached to the item from either Online Item Entry or from Billing (External Item Entry). The information on this page is predominantly view-only for pre-existing items. Items created on the worksheet (prepayments, adjustments, deductions, etc...) can be modified. The Detail View page contains a variety of information about each item such as the Sales Person, Credit Management personnel, Document information, additional reference numbers, etc.

NOTE

If the user is working with deductions, they can use this page group to tie a deduction to an item. Do this by entering the item ID in the Document field on the Detail View page. This then ties the PO#, Bill of Lading and document information for the referenced item to the new deduction.

Buttons and Links

Select the Copy button to copy a specific item and add a new row to the payment worksheet. Then populate the amount, as the system leaves this field blank.

To write off the remaining balance, use the write off button to populate the entry type with the appropriate write off entry type. The Write Off button can only be used on a new worksheet item when there is a remaining balance.

Once you have balanced your worksheet, navigate into the Worksheet Action page.

A worksheet must have a zero balance before posting.

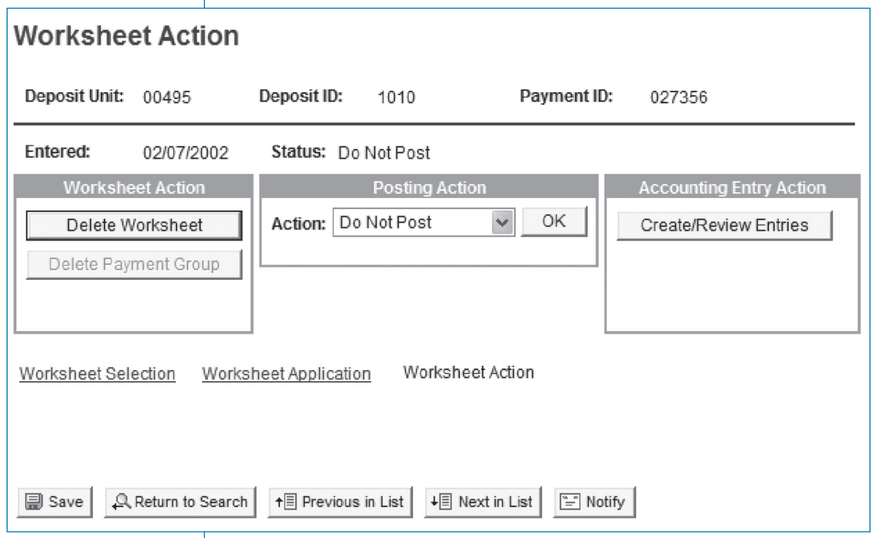
Saving a worksheet without using the Worksheet Action page saves the worksheet with a posting status of No Action.

How to Get There

Use this page to select the posting options for your worksheet that you just created.

Navigation

Click the Worksheet Action link on the Detail View page.



ARSC33

Worksheet Action page

Guided Activity | Building a Payment Worksheet

In this activity, you will review the activity overview and build worksheets to apply payments to outstanding items.

Activity Overview

Ferro Corp has sent you an $11,625.39 USD check, CHECK06(XXX), for item numbers (XXX)5672 & (XXX)5673. Build a worksheet to apply the payment that you received.

Then, you have received a payment of $5,600.00 USD from your customer Dana Corp, for Item Number (XXX)1837. Build a worksheet and apply the payment.

Building the First Worksheet

To build a worksheet:

1. Select Accounts Receivable, Payments, Apply Payments, Create Worksheet.
2. Enter the following information:

Page Element	Value or Status
Deposit Unit	00495
Payment ID	CHECK06(XXX)

ART45

3. On the Worksheet Selection page, enter the Customer ID: CST100000069.
4. Click the Build button to build the worksheet for this customer.
5. On the Worksheet Application page, locate items #(XXX)5672 & (XXX)5673, then verify that it is selected.
6. Click the Refresh button, and see if you have a zero balance.
   - What was the last activity for this item?
   - Who is the credit analyst for this customer?

7 When you have a zero balance, save the page.

8 Select the Worksheet Action page, then select the Posting Action: *Batch Standard* and click *OK*.

Building the Second Worksheet

1 On the Worksheet Selection page, enter the following information:

Page Element	Value or Status
Deposit Unit	00495
Payment ID	CHECK01

ART46

2 Click the Build button.

3 On the Worksheet Application page, locate the 5,600 USD. Unfortunately, there is no Reference Details supplied other than the payment is from Dana Corp. Through investigation, you know that Dana Corp is customer CST100000051.

4 Click the Refresh button. Do you have a zero balance?

5 Save your work.

6 On the Worksheet Action page, select *Batch Standard*, and then click the *OK* button.

This concludes the activity. Do not continue.

Analyzing Overpayments

The PeopleSoft Receivables payment worksheet provides the following options for processing an overpayment:

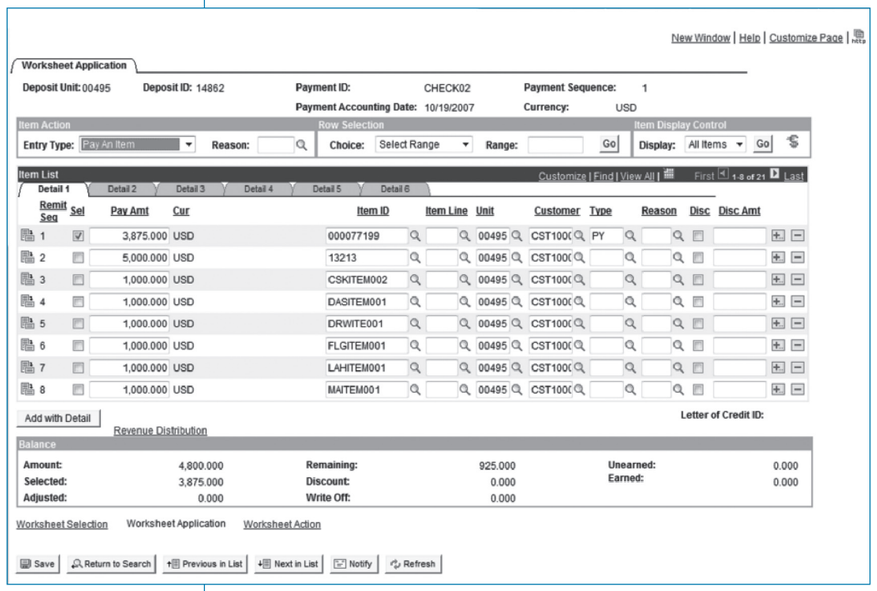
- Create a prepayment line item.
- Create an on-account line item.
- Create an adjustment.
- Apply partial payment to a pre-existing item.
- Write off the remaining amount.

How to Get There

Use this page to select open items for payment application, create new items and perform write-offs.

Navigation

Click the Build button on the Worksheet Selection page.



ARSC34

Worksheet Application page

When you are working with the Worksheet Application page, you must account for every dollar of the payment by achieving a zero total for the remaining amount. If you receive a payment greater than the dollar amount of the item, you must decide how you will handle the remaining amount.

Working with Overpayments

Apply an overpayment using one of the following methods:

- Pay off the original item, then add a row and create a new on account, adjustment or prepayment item with a negative amount for the overpayment.
- Pay off one or more items entirely, and treat the remainder as a partial payment on an additional item.

In this scenario, select the item and then type over the amount that would have the partial payment applied to it and make it equal to the amount of the payment being applied to it.

- Place the entire amount on account by creating a new item with a negative amount.

This may be done when additional research would be required to determine where the payment should be applied.

- Pay off one or more items, then create a new item for the remainder, and then write off the new item.

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Guided Activity | Analyzing Overpayments

In this activity, you will review the activity overview and put a balance on account

Activity Overview

You have received a payment on check number CHECK05(XXX) from City of Hammond in the amount of 2,300 USD. The remittance form attached to the check indicates that the payment is to be applied to item (XXX)1834. When you review the customer's open invoices, you discover that the customer has overpaid by 100.00 USD. This amount will be put On Account.

Build a payment worksheet for the City of Hammond. Pay in full item (XXX)1834, and placed the remainder On Account.

Putting a Balance on Account

To build a worksheet and apply a payment to an open item:

1. On the Worksheet Selection page, enter the following information:

Page Element	Value or Status
Deposit Unit	00495
Payment ID	CHECK05(XXX)

ART47

2. On the Worksheet Application page, select item ID (XXX)1834.
3. Click the Refresh button to view the remaining balance.
4. Click the Add with Detail button to insert a new row.
5. Complete the Detail View page to place the remainder on account.
6. Save the worksheet.
7. On the Worksheet Action page, select the Posting Action, Batch Standard, and click OK.

This concludes the activity. Do not continue.

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Applying Underpayments

When a payment does not completely pay off (or "close") an item, you have a number of options for handling the remaining shortage. You can partially pay the item or create a new debit item, using one of the following actions:

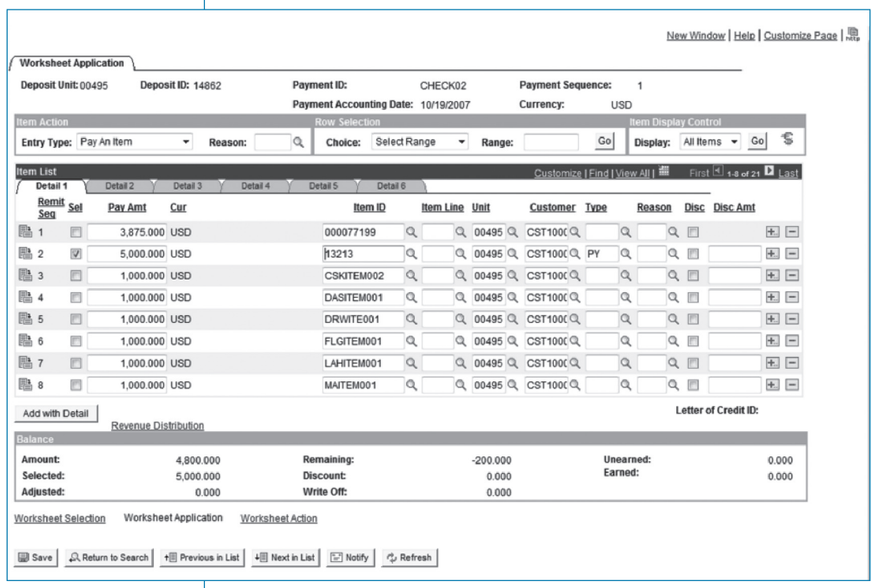
- Adjustment
- Deduction
- Partially apply payment
- Write off underpayment

How to Get There

Use this page to select open items for payment application, create new items and perform write-offs.

Navigation

Click the Build button on the Worksheet Selection page.



ARSC35 Worksheet Application page

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Guided Activity | Applying a Partial Payment for a Underpayment

In this activity, you will review the activity overview and:

1. Apply a partial payment to an existing item.
2. Create a deduction for the remaining amount.
3. Run the Receivables Update Process.

Activity Overview

In this activity, you will be creating worksheets to deal with an underpayment.

Create a New Item for the Remaining Balance

You have received a payment from AM General LLC in the amount of 4,500.00 USD. The payment ID is CHECK03(XXX). The remittance form attached to the check indicates that the payment is to be applied to item (XXX)1833. When you review the customer's open invoices, you discover that the customer has underpaid by 500.00 USD. You want to apply the payment to the open item as a partial payment, maintaining the original item's number with the remaining amount.

Run the Receivable Update Process

The final portion of this activity is to run the Receivable Update process to create the accounting entries and update your customer's balances. Use the previously established run control ID: POSTING.

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Creating a New Item for the Remaining Balance

In this activity, you will be creating worksheets to deal with an underpayment.

Building the Worksheet

1. Select Accounts Receivable, Payments, Apply Payments, Create Worksheet.

2. Enter the following information:

Page Element	Value or Status
Deposit Unit	00495
Payment ID	CHECK03(XXX)

ART48

3. On the Worksheet Selection page, select the following:

Page Element	Value or Status
Customer ID	CST100000009
Business Unit	00495

ART49

4. Click the Build button.

Defining the Worksheet:

5. On the Worksheet Application page, select item ID (XXX)1833.

6. Highlight the Pay Amt and enter the payment amount of 4;500.00.

7. Click the Refresh button to view the newly created line.

8. Verify that the new line has the same item ID as the original item.

9. Once the balance is zero, save the page.

Posting the Worksheet

10. Navigate to the Worksheet Action page.

11. Select the Batch Standard Posting Action and click the OK button.

Running the Receivable Update Process

This section discusses how to run the Receivable Update process.

1. Verify that the process parameters match the following:

Page Element	Value or Status
Run Control ID	POSTING
Unit	00495
Process Frequency	Always
Accounting Date From:	January 1, 2000
Accounting Date To:	End of Current Month

ART50

2. Click the Run button to initiate the process.

3. Accept the defaults on the Process Scheduler Request page and click OK.

This concludes the activity. Do not continue.

Performing Payment Inquiries

To view the status of your payment groups, use the Payments Set To Post page.

You can use view payments that are not yet posted, but have been set to Post Now or Post Later.

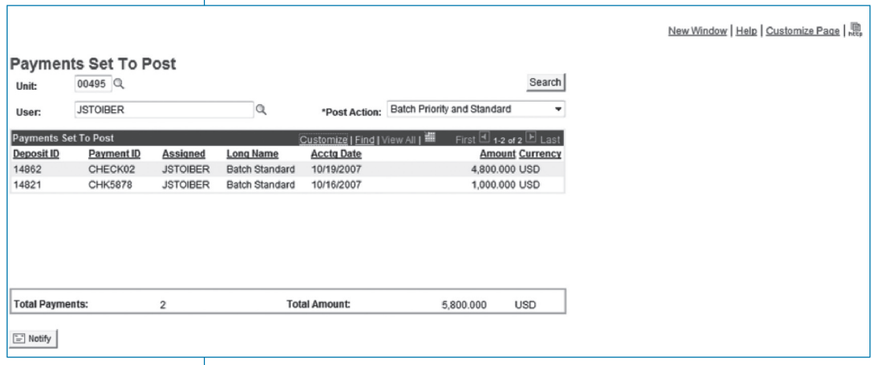
The page lists payments that will be posted the next time the Receivable Update process is run.

How to Get There

Use this page to view the status of payment groups that are set to post:

Navigation

Accounts Receivable >> Payments >> Review Payments >> Payments Set to Post



ARSC36 Payments Set to Post page

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Performing Payment Inquiries

The Receivable Update process creates your accounting entries (if you have not already done so online) and updates your customer balances.

You ran the process after entering your item groups, and you must run it after payment application.

The same process is responsible for posting items or payment transactions.

Use the Item Activity page to determine if a payment has been applied to an item.

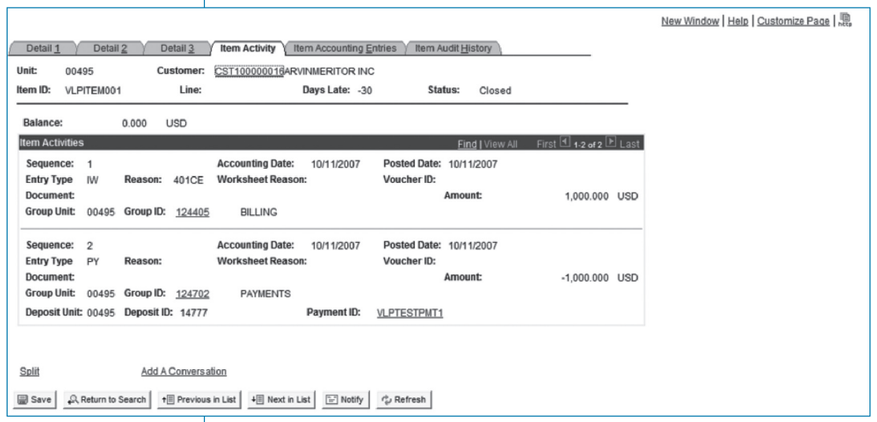
It can also be used to determine if there is any additional activity posted against the original transaction.

How to Get There

Use this page to determine if a payment has been applied to an item:

Navigation

Accounts Receivable >> Customer Accounts >> Item Information >>
View/Update Item Details >> Item Activity



ARSC37 Item Activity page

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Where do you look if a customer calls and asks which items were applied to a certain check number?

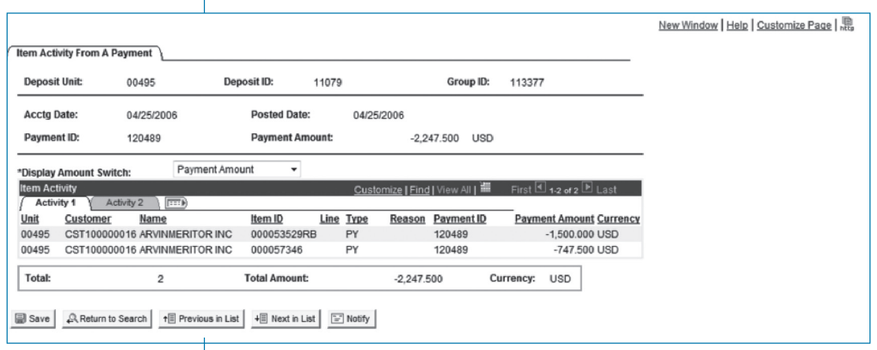
The Item Activity from a Payment page provides the audit trail to answer these types of questions.

How to Get There

Use this page to review all items that were paid by a single payment after the Receivable Update process has been run. Once it is posted, you can no longer access these details using the payment worksheet page.

Navigation

Accounts Receivable >> Customer Accounts >> Item Information >> Item Activity From a Payment



ARSC38 Item Activity from a Payment

Chapter Review

In this chapter you learned that:

- You will use Payment Worksheets for all Payments that need to be matched to customer items.
- The available actions for overpayments are: prepay, adjustment, on account, write off, and pay multiple items with partial pay for the remainder of the overpayment.
- The available actions for underpayments are: deduction, Write off, adjustment.
- You can also create a partial payment by using the payment action and overriding the item amount. PeopleSoft will create a new item with the identical Item ID as the original with the Remaining amount as the Item amount.