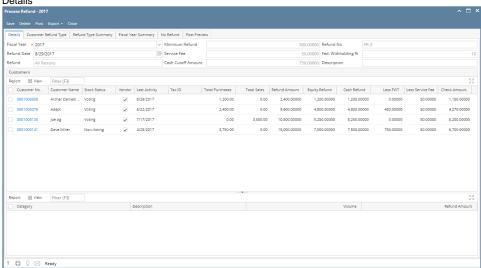
How to Process Refunds

Pre-requisites:

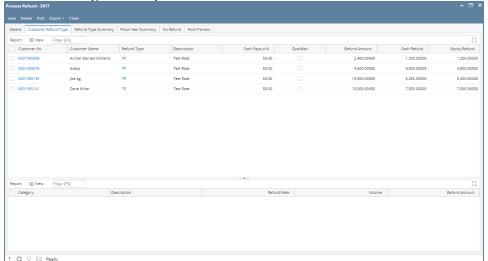
- Patronage Volumes
- Refund Rates
- Patron Customers
- Setup FWT
- Preferences

Steps:

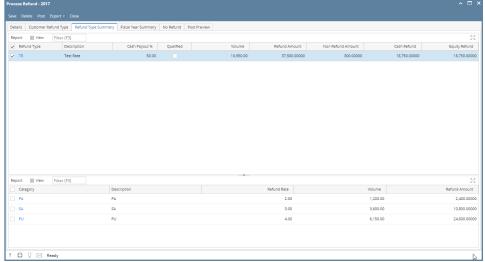
- 1. Go to Patronage > Process Refunds.
- 2. Click New from the Search screen toolbar.
- 3. Select a Fiscal year to process. After selecting a fiscal year, the system will calculate refunds for each customer from the collected volume in the specified year. Refunds for a customer can be computed multiple times based on the number of refund rates.
 - a. Details



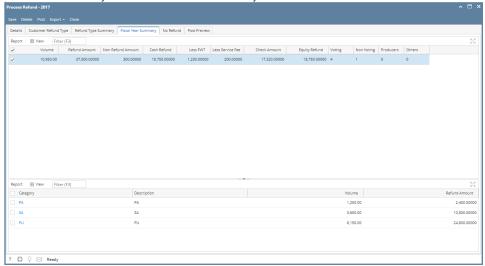
b. Customer Refund Type – summary of refunds for each customers



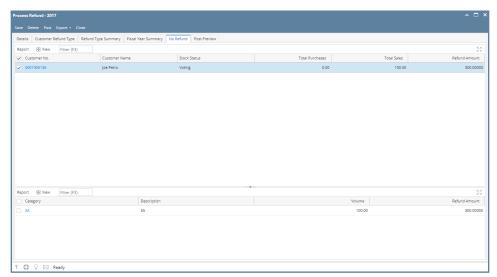
c. Refund Type - summary of refunds classified by refund type



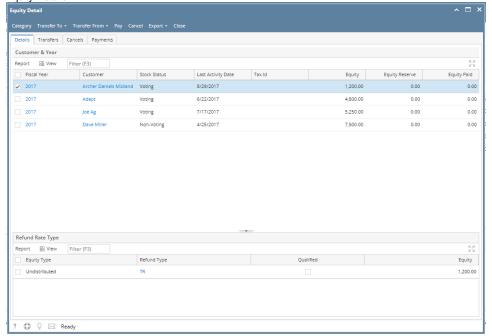
d. Fiscal Year – summary of refunds for the selected fiscal year



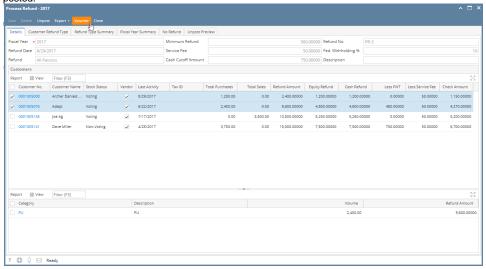
- e. No Refund summary of refunds that are not eligible. A refund is not eligible if the refund amount is less than the Minimum Refund or if the Stock Status of the customer is not qualified for refund
 - i. All Patrons all patrons, regardless of voting status, will be used in the refund calculations.
 - ii. Stockholders Only Non Voting and Voting stockholders will be included in refund calculation iii. Voting Only only the voting stockholders will be included in refund calculations.



4. Post the refund transaction. GL entries will be made. After posting, equity refunds will be accumulated. This can be checked in Patronage > Equity Details.



To create a voucher for a refund, select refunds to voucher and then click Voucher from the toolbar. Take note that the created voucher will be posted.



Formulas:

- Refund Amount = Summation of (Refund Rate per Refund Type x Volume per Patronage Category)
- Cash Refund = Refund Amount x Cash Payout %
- Equity Refund = Refund Amount x (100 Cash Payout) %
- Less FWT = Cash Refund x Withholding %
- Less Service Fee = Setup
- Check Amount = Cash Refund Less FWT Less Service Fee

Important Notes:

- If the refund transaction is unposted, it will unpost and delete the created voucher if available. However if some associated voucher is already
 paid, it will not allow unposting the refund.
- The customer should be of type **Vendor** in order to create voucher.
- If Cash Refund is less than or equal to Cash Cutoff Amount and Cutoff To is 'Cash', then all the Equity Refund will be added to the Cash Refund.
- If Cash Refund is less than or equal to Cash Cutoff Amount and Cutoff To is 'Equity', then the cash refund will be added to the customer's Equity Refund.