

AR-27 Issue Credit Memo

Purpose

The purpose of this Quick Reference Guide (**QRG**) is to provide a step-by-step guide of how to **issue a credit memo** in the North Carolina Financial System (**NCFS**).

Introduction and Overview

This QRG covers the process to issue a credit memo in NCFS, including both creating a credit memo from an existing invoice and creating a standalone credit memo applied to an invoice.

Issue Credit Memo: From an Invoice

To issue a credit memo in NCFS, please follow the steps below. There are 20 steps to complete this process.

Step 1. Click the **Company Single Sign-On (SSO)** button.

Step2. Enter your **@dac.nc.gov** email address.

Step3. Click **Next**, then enter **password**.

Step4. Navigate to the **Home** page.

Image



Step 5. While on the **Home** Screen, navigate to the **Receivables** tab.

Step 6. In the **Receivables** tab, click on **Billing**.

Image



Step 7. Click the **Task** icon.

Step 8. Under the Transactions heading, click **Manage Transactions**.

Image

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Transactions

- [Create Transaction](#)
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Customers

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Customer Account Balances

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Step 9. In the **Search** section of the **Manage Transactions** screen, enter **customer or transaction information** within at least one of the fields marked with two asterisks (**) (i.e., Bill-to Customer = “**SIT TEST CUSTOMER 1**”).

Step 10. Click the **Search** button.

Image

The screenshot shows the 'Manage Transactions' interface. A red box labeled '9' highlights the search filters: Business Unit, Transaction Source, Transaction Class, Transaction Type, Transaction Number (Starts with), Transaction Date (Equals), and Bill-to Customer (Equals). The 'Bill-to Customer' field is populated with 'SIT TEST CUSTOMER 1'. A red box labeled '10' highlights the 'Search' button. Below the filters, there is a table of search results with columns: Transaction Number, Transaction Source, Transaction Class, Transaction Type, Complete, Bill-to Customer, Entered Amount, Transaction Date, Business Unit, Original Transaction Number, and Transactions (Medicaid Share, Non-Medicaid Share). The table contains three rows of data.

Transaction Number	Transaction Source	Transaction Class	Transaction Type	Complete	Bill-to Customer	Entered Amount	Transaction Date	Business Unit	Original Transaction Number	Transactions
										Medicaid Share Non-Medicaid Share
10006	Manual - DAC	Invoice	DAC Standard I...	Yes	SIT TEST CUSTOMER 1	100.00 USD	6/18/25	5200 DEPARTM...		
13000	Manual - DAC	Invoice	DAC Standard I...	No	SIT TEST CUSTOMER 1	107.00 USD	6/18/25	5200 DEPARTM...		
17000	Manual - DAC	Invoice	DAC Standard I...	Yes	SIT TEST CUSTOMER 1	117.70 USD	6/23/25	5200 DEPARTM...		

Step 11. Within the **Transaction Number** column of the search results, click the **Transaction Number** link.

Note: Clicking the **Transaction Number** link will open the **Review Transaction** screen for that record.

Image

Manage Transactions ?

Done

Search

Business Unit

Transaction Source

Transaction Class

Transaction Type

Transaction Number

Transaction Date

Bill-to Customer

Reference

Advanced

Saved Search

All Transactions

** At least one is required

Search

Reset

Save...

Actions

View

Detach

	Transaction Number	Transaction Source	Transaction Class	Transaction Type	Complete	Bill-to Customer	Entered Amount	Transaction Date	Business Unit	Original Transaction Number	Transactions	
											Medicaid Share	Non-Medicaid Share
11	10006	Manual - DAC	Invoice	DAC Standard I...	Yes	SIT TEST CUSTOMER 1	100.00 USD	6/18/25	5200 DEPARTM...			
	13000	Manual - DAC	Invoice	DAC Standard I...	No	SIT TEST CUSTOMER 1	107.00 USD	6/18/25	5200 DEPARTM...			
	17000	Manual - DAC	Invoice	DAC Standard I...	Yes	SIT TEST CUSTOMER 1	117.70 USD	6/23/25	5200 DEPARTM...			

Step 12. Click the **Actions** drop-down.

Step 13. Within the **Actions** drop-down list, click **Credit Transaction**.

Image

Review Transaction: Invoice 10006 ?

General Information | [Show More](#)

Business Unit	5200 DEPARTMENT OF ADULT CORRECTION	Transaction Date	6/18/25
Transaction Source	Manual - DAC	Accounting Date	6/18/25
Transaction Type	DAC Standard Invoice	Salesperson	
Transaction Number	10006	Invoicing Rule	
Document Number		Attachments	None +
Status	Complete	Notes	

Customer

Bill-to Name	SIT TEST CUSTOMER 1	Ship-to Name	SIT TEST CUSTOMER 1
Bill-to Site	158792	Ship-to Site	424362

Invoice Details

[Invoice Lines](#) | [Sales Credits](#)

View ▾ **Detach**

[Line Information](#) | [Tax Determinants](#) | [Revenue Scheduling](#)

Actions ▾ | **View Image** | **Save** ▾ | **Incomplete** | **Cancel**

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Credit Transaction

Submit a Dispute

Manage Adjustments

Review Installments

Review Distributions

Duplicate

Account in Final

Account in Draft

View Accounting

View Balance Details

View Transaction Activities

Payment Terms: NET 30

Due Date: 7/18/25

USD US Dollar

100.00

100.00

0.00

0.00

0.00

Step 14. Within the **Credit Memo** screen, enter the details for the Credit Memo within the required fields (*).

Step 15. Within the Credit column of the **Transaction Amounts** section, enter either the **Credit Percentage** or **Credit Amount**, as applicable.

Step Note: Only one field within the **Credit** column of the **Transactions Amounts** section needs to be completed before proceeding to the next step. Additionally, the **Amount** should be entered as a negative number.

Image

Credit Memo

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* Transaction Source: Manual
 * Transaction Type: DAC Credit Memo
 Transaction Number:
 Document Number:
 Transaction Date: 6/24/25
 * Accounting Date: 6/24/25
 Credit Reason:
 Customer Reference:

Reference:
 Attachments: None +
 Notes:
☐ Intercompany
 Special Instructions:
 Comments:
 Medicaid Share:

Non-Medicare Share:
 Context Value:
 Exclude From Netting: ☐
 Delivery Date for Tax Point Date: m/d/yy
 Regional Information:
 Context Value:

Transaction Amounts ?

Credit Entire Balance **Credit Lines** **Edit Distributions** ☒ Automatically derive tax from lines

Section	Original Amount	Credit		Current Balance	Remaining Balance
		Credit Percentage	Amount		
Line	100.00	10	10.00	100.00	90.00
Tax	0.00			0.00	0.00
Freight	0.00			0.00	0.00
Total	100.00	10	-10.00	100.00	90.00

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Example format: #,##0.###

Step 16. Once all mandatory fields within the **Credit Memo** section are complete, click the **Complete and Close** drop-down.

Step 17. From the drop-down list, select **Complete and Review**.

Image

Credit Transaction ?

Save

Complete and Close

Cancel

Complete and Review

USD - US Dollar

Original Transaction

Number

10006

Business Unit

5200 DEPARTMENT OF ADULT CORRECTION

Customer

SIT TEST CUSTOMER 1

Customer Account

115855

Original Amount

100.00

Activity

100.00

Current Balance

0.00

Credit Memo

* Transaction Source

Manual

* Transaction Type

DAC Credit Memo

Transaction Number

Document Number

Transaction Date

6/24/25

* Accounting Date

6/24/25

Credit Reason

No reason entered

Reference

Attachments

None

Notes

Intercompany

Special Instructions

Comments

Medicaid Share

Non-Medicare Share

Context Value

Exclude From Netting

Delivery Date for Tax Point Date

m/d/yy

Regional Information

Context Value

Step 18. Once all information displayed on the **Review Transaction** screen has been verified, click the **Save** drop-down.

Step 19. From the drop-down list, select **Save and Close**.

Image

Review Transaction: Credit Memo 691284 ?

Actions | View Image Save Incomplete Cancel

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Save and Close

General Information | [Show More](#)

Business Unit5200 DEPARTMENT OF ADULT CORRECTION

Transaction SourceManual

Transaction TypeDAC Credit Memo

Transaction Number691284

Document Number

StatusComplete

Original Transaction Number10006

Transaction Date6/24/25

Accounting Date6/24/25

Credit Reason

Salesperson

Invoicing Rule

AttachmentsNone

Notes

CurrencyUSD US Dollar

Transaction Total-10.00

Lines-10.00

Tax0.00

Freight0.00

Charges0.00

Customer

Bill-to NameSIT TEST CUSTOMER 1

Bill-to Site158792

Ship-to NameSIT TEST CUSTOMER 1

Ship-to Site424362

Step 20. Once saved, an **Information** pop-up confirmation message appears on screen, click **OK** to close the message.

Image



Issue Credit Memo: Standalone

There are 17 steps to complete this process.

Step 1. Begin from the **Home** page, or click the **Home** icon.

Image



Step 2. While on the **Home** Screen, navigate to the **Receivables** tab.

Step 3. In the **Receivables** tab, click on **Billing**.

Image



Step 4. Click the **Task** icon.

Step 5. Under the **Transactions** heading, click **Create Transaction**.

Image

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Step 6. Within the **Transaction Class** drop-down field, select **Credit memo**.

Step 7. Within the **Business Unit** drop-down field, select **5200 DEPARTMENT OF ADULT CORRECTION**.

Image

The screenshot shows the 'Create Transaction: Credit Memo' form. The 'General Information' section is expanded. Two red circles with numbers '6' and '7' highlight the 'Transaction Class' and 'Business Unit' fields, respectively. The 'Transaction Class' is set to 'Credit memo' and the 'Business Unit' is set to '5200 DEPARTMENT OF ADL'. Other fields include 'Transaction Source' (Manual - DAC), 'Transaction Type' (DAC Credit Memo), 'Transaction Date' (6/24/25), 'Accounting Date' (6/24/25), 'Salesperson', 'Attachments' (None), 'Notes', 'Customer Reference', 'Customer Reference Date' (m/d/yy), 'Currency' (USD US Dollar), 'Transaction Total' (-10.00), 'Lines' (0.00), 'Tax' (0.00), 'Freight' (0.00), 'Charges' (0.00), 'Bill-to Name' (SIT TEST CUSTOMER 1), 'Ship-to Name' (SIT TEST CUSTOMER 1), 'Bill-to Site' (158792), and 'Ship-to Site' (424362).

Create Transaction: Credit Memo ?

General Information | Show More

Transaction Class Credit memo

* Business Unit 5200 DEPARTMENT OF ADL

* Transaction Source Manual - DAC

* Transaction Type DAC Credit Memo

* Transaction Number

Document Number

Credit Reason

Customer

* Bill-to Name SIT TEST CUSTOMER 1

Bill-to Site 158792

Customer Reference

Customer Reference Date m/d/yy

Transaction Date 6/24/25

Accounting Date 6/24/25

Salesperson

Attachments None

Notes

* Currency USD US Dollar

Transaction Total -10.00

Lines 0.00

Tax 0.00

Freight 0.00

Charges 0.00

Ship-to Name SIT TEST CUSTOMER 1

Ship-to Site 424362

Save Complete and Create Another Cancel

Step 8. Within the **Transaction Source** drop-down field, select **Manual - DAC**.

Step 9. Within the **Transaction Type** drop-down field, select **DAC Credit Memo**.

Image

Create Transaction: Credit Memo ?

General Information | Show More

Transaction Class: Credit memo

* Business Unit: 5200 DEPARTMENT OF ADL

* Transaction Source: Manual - DAC

* Transaction Type: DAC Credit Memo

* Transaction Number:

Document Number:

Credit Reason:

Customer Reference:

Customer Reference Date: m/d/yy

Transaction Date: 6/24/25

Accounting Date: 6/24/25

Salesperson:

Attachments: None +

Notes:

* Currency: USD US Dollar

Transaction Total: -10.00

Lines: 0.00

Tax: 0.00

Freight: 0.00

Charges: 0.00

Customer

* Bill-to Name: SIT TEST CUSTOMER 1

Ship-to Name: SIT TEST CUSTOMER 1

Bill-to Site: 158792

Ship-to Site: 424362

Step 10. In the **Bill-To Name** field, search and select a **customer name** (i.e., SIT TEST CUSTOMER 1).

Step 11. In the **Ship-To Name** field, search and select a **customer name** (i.e., SIT TEST CUSTOMER 1).

Note: If one of the above fields is selected before the other, it may auto-populate, and you can adjust as needed. Other fields, such as **Bill-to Site** and **Ship-to Site**, will also auto-populate.

Image

Customer

10 * Bill-to Name: SIT TEST CUSTOMER 1

Bill-to Site: 158792

11 Ship-to Name: SIT TEST CUSTOMER 1

Ship-to Site: 424362

Step 12. Within the **Credit Memo Lines** table, enter details within each of the **required fields marked with an asterisk (*)**.

Note: To add multiple credit memo lines, populate the fields for each line. To add another credit memo line, click the **Add (+) icon**.

Image

The screenshot shows the 'Credit Memo Lines' interface. At the top, there are buttons for 'View', '+', 'X', 'Detach', 'Edit Freight', and 'Edit Default Sales Credits'. Below these are tabs for 'Line Information' and 'Tax Determinants'. The main table has columns: Line, Item, * Description, Memo Line, UOM, Reason, * Quantity, * Unit Price, Amount, Details, and Tax Classification. A red circle highlights the number '12' in the 'Line' column of the first row. The first row is highlighted in yellow and contains the following data: Line 1, Item (empty), Description 'Credit memo', Memo Line (empty), UOM (empty), Reason (empty), Quantity 1, Unit Price -10, Amount -10.00, Details (empty), and Tax Classification (empty). The second row is also highlighted in yellow and contains: Line 2, Item (empty), Description (empty), Memo Line (empty), UOM (empty), Reason (empty), Quantity (empty), Unit Price (empty), Amount (empty), Details (empty), and Tax Classification (empty).

Line	Item	* Description	Memo Line	UOM	Reason	* Quantity	* Unit Price	Amount	Details	Tax Classification
12		Credit memo				1	-10	-10.00		
2										

Step 13. Once all mandatory fields within the **Create Transaction: Credit Memo** screen are complete, click the **Complete and Create Another** drop-down.

Step 14. From the drop-down list, select **Complete and Review**.

Image

Create Transaction: Credit Memo ?

General Information | [Show More](#)

Transaction Class	Credit memo	Customer Reference	
* Business Unit	5200 DEPARTMENT OF ADL	Customer Reference Date	m/d/yy
* Transaction Source	Manual - DAC	Transaction Date	6/24/25
* Transaction Type	DAC Credit Memo	Accounting Date	6/24/25
* Transaction Number		Salesperson	
Document Number		Attachments	None +
Credit Reason		Notes	

Save Complete and Create Another Cancel

14 Complete and Review Complete and Close

* Currency USD US Dollar

Transaction Total	-10.00
Lines	0.00
Tax	0.00
Freight	0.00
Charges	0.00

Step 15. Once all information displayed on the **Review Transaction** screen has been verified, click the **Save** drop-down.

Step 16. From the drop-down list, select **Save and Close**.

Image

Review Transaction: Credit Memo 19000 ?

Actions ▾

View ImageSave ▾IncompleteCancel

Save and Close

General Information | [Show More](#)

Business Unit5200 DEPARTMENT OF ADULT CORRECTION

Transaction SourceManual - DAC

Transaction TypeDAC Credit Memo

Transaction Number19000

Document Number

StatusComplete

Customer Reference

Customer Reference Date

Transaction Date6/24/25

Accounting Date6/24/25

Credit Reason

Salesperson

Invoicing Rule

AttachmentsNone +

Notes

CurrencyUSD US Dollar

Transaction Total-10.00

Lines-10.00

Tax0.00

Freight0.00

Charges0.00

Step 17. Once saved, an **Information** pop-up confirmation message appears on screen, click **OK** to close the message.

Image



Wrap-Up

NCFS users can issue credit memos to adjust customer accounts, either from an existing invoice or as a standalone entry. This process helps ensure customer balances are accurate and properly documented in the system.

Additional Resources

- Instructor Led Training (ILT)
 - AR108 – Manage Receipts and Cash Applications (Coming Soon)

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