**Process for requesting Credit Notes**

It remains the responsibility of the school to request Credit Notes from suppliers in relation to both orders and invoices.

There are a number of different scenarios where there may be a need for the requisitioner to request a credit note. Examples of such scenarios and the action to take are listed below.

1. **Goods are received and receipted on Oracle.**

**Scenario:** You receive the goods and receipt them via Oracle then realise that they are damaged or you are unable to use them, and they will not be replaced.

**Action:** Contact the supplier to arrange return of goods and request a credit. When Accounts Payable (AP) receive the Credit note they will process it. Contact Procurement to request items to be cancelled from Purchase Order.

1. **Goods are received but not receipted via Oracle**

**Scenario:** You receive the goods but realise immediately that they are not suitable or damaged and will not be replaced.

**Action:** Contact the supplier and arrange goods to be returned and request a credit note. The goods do not need to be receipted. When AP receive the credit Note they will process it. Contact Procurement to request items to be cancelled from Purchase Order.

1. **You receive a duplicate delivery**

**Scenario:** On occasions suppliers will deliver the goods twice in error.

**Action:** Ensure that the correct delivery is receipted on the system to allow payment to be made. You cannot receipt the additional goods as the system will not allow you. You cannot submit a retrospective requisition for the additional items that have been received. To return the duplicate delivery contact the supplier and arrange for the goods to be returned and request a credit note. When AP receive the credit note they will process it.

1. **You receive a substitute Item**

**Scenario:** On Occasion suppliers will send a substitute item instead of the original order.

**Action:** You cannot receipt the substitute item as the system will not allow you. You cannot submit a retrospective requisition for the substitute item that has been received. To return the substitute item contact the supplier and arrange for the goods to be returned and request a credit note.

1. **The Price of the Item when invoiced is greater than the price on the Order**

**Scenario:** On occasions when AP receive the invoice and match to the Order the price on the invoice is higher than on the order.

**Action:** There is an agreed tolerance at which will release payments. Anything over this tolerance AP will contact the requisitioner and advise them. If you are happy to pay the additional price an email authorising this will be requested by the AP staff so that we can release the payment. If you do not wish to pay the additional price please advise the AP staff and then contact the supplier and open a query with them. If a credit note is to be issued for the difference AP will process this when they receive it.

**Additional Information**

On all occasions AP will receive an invoice which matches the items that have been delivered and this is processed through Oracle as a recording exercise. Each week AP produce an INVOICE ON HOLD REPORT which lists those recorded invoices that are on hold from payment for various reasons. Two of the main reasons for holds are **PRICE VARIANCE** and **QTY HOLD**. AP staff will contact the requisitioner in relation to both of these holds. For price queries for contracted items contact Procurement.

**PRICE VARIANCE** relates to Scenario 5. AP will contact the requisitioner and advise them of the price query including line number on the Purchase Order. It is the schools responsibility to query this with the supplier if they wish to. For price queries for contracted items contact Procurement.

**QTY HOLD** relates to Scenario 3. If AP do not receive a credit note they will contact the requisitioner to query if the goods have been returned or retained. It is the schools responsibility to contact the supplier if the goods are to be returned.

In the case of the few invoices that are not processed via iProcurement the school will receive the delivery of goods and the invoice and can contact the supplier immediately to seek a credit note.