FINANCE OPERATIONS / SOLUTION SHEET

Identify what a customer payment covers

One customer payment can cover several invoices. The cash application team needs a line-by-line allocation and a clear reason for each difference before it can apply the payment.

FROM SOURCE DOCUMENT TO REVIEWABLE DATA

CUSTOMER REMITTANCE

Advice RA-6209

Payer	**North Pier Retail**
Invoices	**3**
Transfer	**USD 2,700.00**

ALLOCATION FOR REVIEW

INV-5101	**1,200.00 paid**
INV-5102	**900.00 paid**
INV-5103	**600.00 paid**

HOW VERIXA IDP FITS THE PROCESS

Capture

Read the payment reference, date, currency and the allocation to each invoice.

Review

Reconcile the transfer to its allocations. Separate a stated discount from an unexplained short pay.

Hand off

Pass the reviewed allocation to cash application; resolve open differences before posting.

Try a multi-invoice payment

Bring a remittance with several invoices, a short-pay example and an AR reviewer. Check allocations and measure how many lines need correction.