



Workday Finance, configured by a Chartered Accountant.

ABHAYJAISWAL.COM

■ WORKDAY FINANCE · STEP BY STEP

Refund / Return Customer Payment and Cancel Refund

■ Table of Contents

1. Purpose
2. Prerequisites
3. Refund Customer Payment
4. Return Customer Payment
5. Cancel Refund
6. Common Errors and Resolutions
7. Best Practices

■ Purpose

This guide provides step-by-step instructions for refunding, returning, and canceling customer payments in Workday. This process ensures overpayments, duplicate payments, or cancellations are resolved and accounts receivable reports remain accurate.

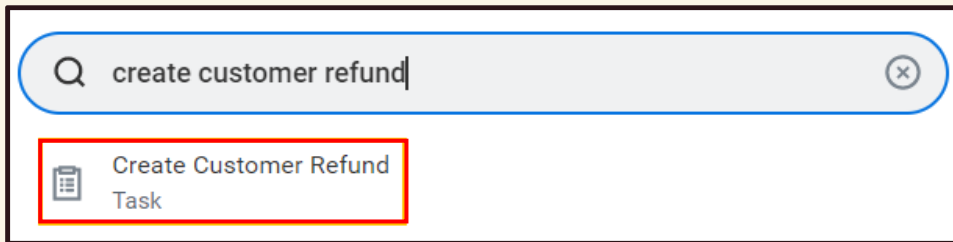
■ Prerequisites

To effectively *Refund, Return or Cancel Customer Payments*, ensure the following:

- You have the appropriate Workday Security role(s) (e.g., Settlement Specialist, Customer Refund Specialist).
- Customer Refund:
 - The payment received must be *On-Account* with an associated deposit.
 - The payment has a credit adjustment.
- Cancel Payment:
 - The payment has not been reconciled.
 - The payment does not have an approved customer deposit.

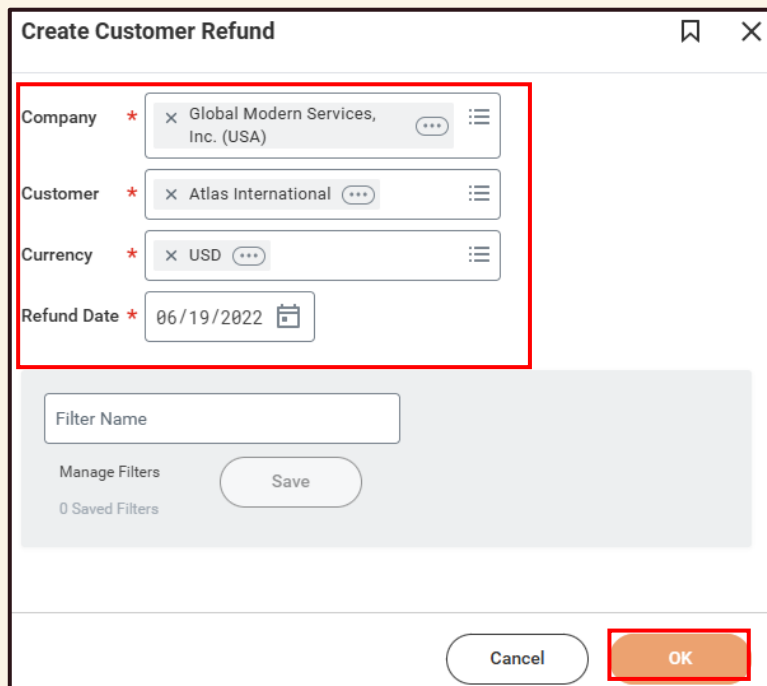
■ Refund Customer Payment

- Search for *Create Customer Refund* and select the related task.



Search bar containing the text "create customer refund". Below the search bar, a result "Create Customer Refund Task" is displayed and highlighted with a red rectangular box.

- Populate the **required** fields including *Company*, *Customer*, *Currency*, and *Refund Date*. Click **OK**.



The "Create Customer Refund" form is shown. The required fields are highlighted with a red rectangular box:

- Company** * x Global Modern Services, Inc. (USA)
- Customer** * x Atlas International
- Currency** * x USD
- Refund Date** * 06/19/2022

Below the highlighted fields, there is a "Filter Name" input field, a "Manage Filters" button, and a "Save" button. At the bottom right, there are "Cancel" and "OK" buttons, with the "OK" button highlighted by a red rectangular box.



- Select the *Payment Type* for the customer refund.

Create Customer Refund

Refund Information

Company Global Modern Services, Inc. (USA)

Customer Atlas International

Refund Date 06/30/2025

Memo

Refund Payment Information

Payee *

Payment Type *

Payee Remit-To Address

Amount Information

Currency USD

Total Amount Available to Refund 0.00

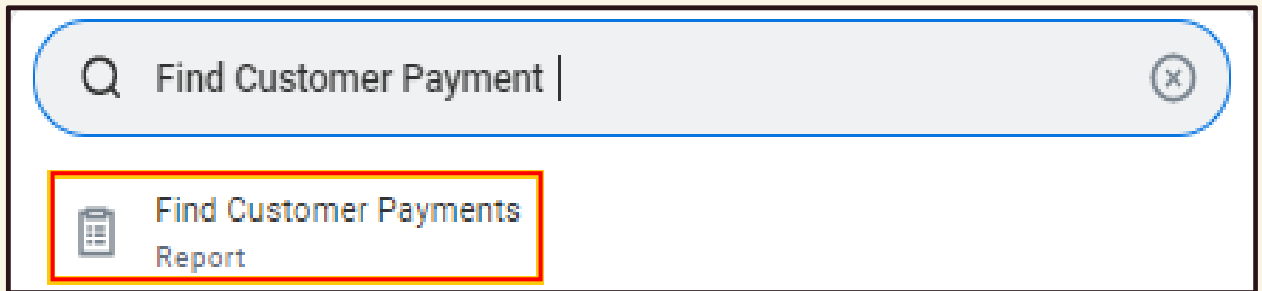
Amount Selected for Refund 0.00

- Select either *On-Account Payment* or *Invoice Adjustment*. Click *Submit*.

On-Account Payments 1 item						
Refund	Customer Payment	Payment Number	Transaction Date	Transaction Amount	On-Account Payment Balance	Refund Amount
☒	Q	4866	01/15/2025	955.31	955.31	955.31

■ Return Customer Payment

- Search for *Find Customer Payment* and select the related task.



The screenshot shows a search bar with the text "Find Customer Payment" and a magnifying glass icon on the left and a close icon on the right. Below the search bar, a dropdown menu is visible, containing a single result: "Find Customer Payments Report". This result is highlighted with a red rectangular box. To the left of the text in the dropdown is a small icon of a document with a grid.



- In the *Payment Status* field, select *Complete* to find completed payments for return.

Optional: Populate any additional search filters.

- Click *OK* and navigate to the customer payment.

Find Customer Payments

Company

Customer

Customer Category

Customer Group

Payment Date On or After

MM/DD/YYYY

Payment Date On or Before

MM/DD/YYYY

Payment Status

× Complete

Application Status

Payment Type

Transaction Reference

Include Deposited Payments

☒

Include Cash Sales

☐

Overpayment

☐

Cancel

OK



- Click on the Related Actions from Payment → Customer Payment → Return

Payment	Transaction ID	Payment Date	Customer	Company	Payment Status	Application Status	Currency	Payment Amount														
 Actions - Accounting > - Audits > - Business Process > Customer Payment > - Favorite > - Integration IDs > - Reporting > - Add Attachment - Add Note - Unapply - Cancel Return	Customer Payment for Invoices   4877 - 05/09/2025 - 2,400.00 - USD Customer Payment Information <table> <tr> <td>Customer Number</td> <td>4877</td> </tr> <tr> <td>Company</td> <td>Global Modern Services, Inc. (USA)</td> </tr> <tr> <td>Payment Date</td> <td>05/09/2025</td> </tr> <tr> <td>Status</td> <td>Complete</td> </tr> </table> Additional Information <table> <tr> <td>Remit-From Customer</td> <td>Boley Featherston</td> </tr> <tr> <td>Reference</td> <td>(empty)</td> </tr> <tr> <td>Transaction Information</td> <td>Payment and Deposit Combined</td> </tr> </table>								Customer Number	4877	Company	Global Modern Services, Inc. (USA)	Payment Date	05/09/2025	Status	Complete	Remit-From Customer	Boley Featherston	Reference	(empty)	Transaction Information	Payment and Deposit Combined
Customer Number	4877																					
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Payment Date	05/09/2025																					
Status	Complete																					
Remit-From Customer	Boley Featherston																					
Reference	(empty)																					
Transaction Information	Payment and Deposit Combined																					



- Enter the *Payment Return Date* and *Payment Return Code*.
- Click *OK*. The *Payment Status* for the customer payment will show *Returned*.

Return Customer Payment

Customer Payment for Invoices

Q

Currency

USD

Payment Amount

2,400.00

Application Status

Fully Applied

Payment Return Date

* MM/DD/YYYY 

Payment Return Code

✕ R01 - Insufficient Funds



Payment Application

1 item

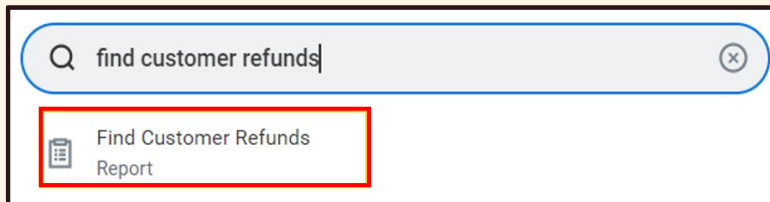
Customer Transaction	Transaction Date	Status	Payable Document
	05/09/2025	Approved	Customer Invoice

OK

Cancel

■ Cancel Refund

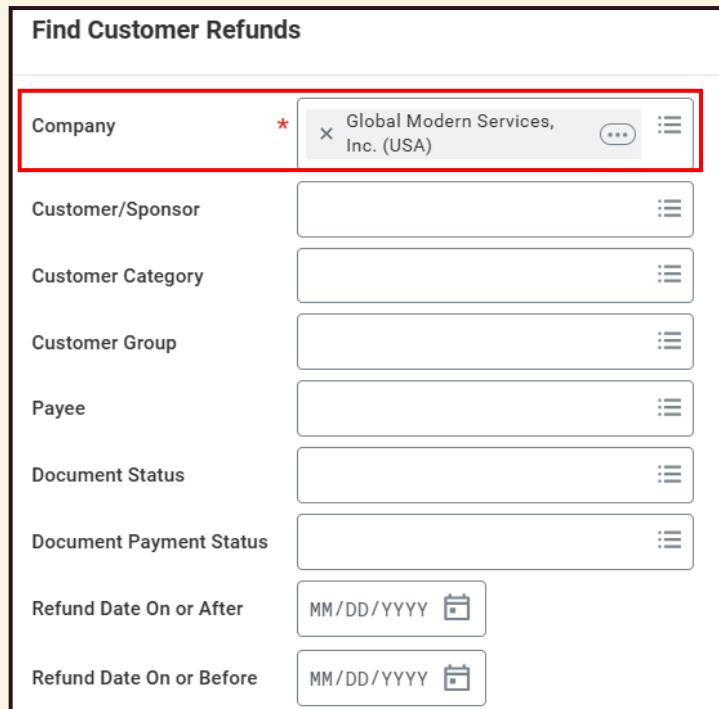
- Search for *Find Customer Refunds* and select the related report.



A search bar with a magnifying glass icon on the left and a close button (X) on the right. The text 'find customer refunds' is entered. Below the search bar, a red rectangular box highlights a search result that reads 'Find Customer Refunds Report' next to a document icon.

- Populate the required field of *Company*.

Optional: Populate any additional search filters.



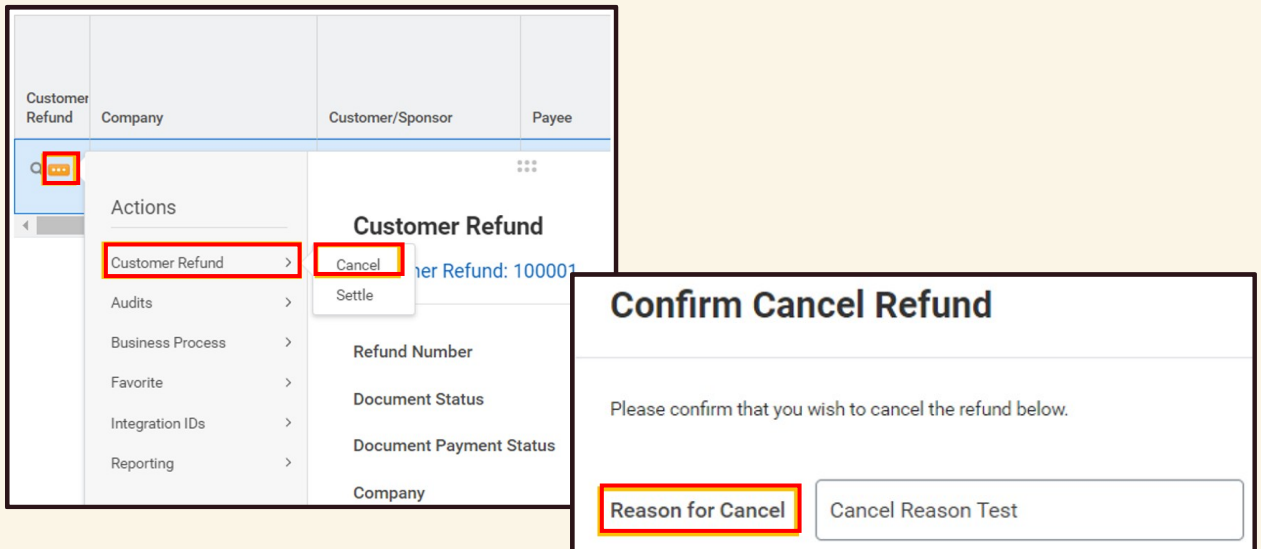
The 'Find Customer Refunds' form. The 'Company' field is highlighted with a red box and contains 'Global Modern Services, Inc. (USA)' with a red 'X' icon and a menu icon. Below it are several other fields: 'Customer/Sponsor', 'Customer Category', 'Customer Group', 'Payee', 'Document Status', and 'Document Payment Status', each with a menu icon. At the bottom are two date fields: 'Refund Date On or After' and 'Refund Date On or Before', both with a calendar icon and the format 'MM/DD/YYYY'.



- Click on Related Actions from the Customer Refund → Customer Refund → Cancel.

Optional: Add a reason for Cancel.

- Click *OK* to confirm the cancellation of the refund.



The screenshot displays the Workday Customer Refund interface. On the left, a table lists various actions, with 'Customer Refund' highlighted. A dropdown menu is open, showing 'Cancel' and 'Settle' options. The 'Cancel' option is selected. On the right, a 'Customer Refund' detail view is shown, including fields for 'Refund Number', 'Document Status', 'Document Payment Status', and 'Company'. A confirmation dialog titled 'Confirm Cancel Refund' is overlaid on the right side. The dialog contains the text 'Please confirm that you wish to cancel the refund below.' and a 'Reason for Cancel' field, which is highlighted with a red box. The 'Cancel Reason Test' button is also visible.



- View the customer refund and confirm the Document Status says *Canceled*.

View Customer Refund

Customer Refund	🔍	Refund Number	100001	Document Status	Canceled
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■ Common Errors and Resolutions

Issue	Description	Resolution
Incorrect Payment Return Date	<i>A Payment Return</i> was created with an incorrect date, causing accounting or period-end discrepancies.	1. Cancel the payment return and recreate it with the correct date. 2. If the original transaction was repaid, cancel the new payment. Then, repay the transaction using the 'Manual' payment type.
'Cancel' Task is Unavailable	The option to cancel a Customer Refund does not appear in the related actions menu.	Unreconcile your bank statement line associated with the customer refund.
Linked Deposit Constraints	Cannot cancel a single payment tied to a group.	Cancel the entire Customer Deposit first to release and edit individual payment lines.

■ Best Practices

- Understand **Payment Types** and the difference between payment returns and refunds. Use payment returns for bank rejected payments and refunds for credit adjustment or on-account balances.
- Access the ***Find Payments*** report to identify settled payments that need to be returned.
- If the **payment return is unreconciled** and the original payment hasn't been paid, consider canceling the return to streamline the process.
- Be aware that **returning a payment generates journal entries** that reverse the original payment.



Thank You

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