Lesson 04 - Reversing Payments

Prerequisites
Lesson 3

This example uses the payment posted in lesson 3. If you have not just finished that lesson, you may need to go back and rebuild that data and repost that payment to see the same screen images as displayed in this lesson

Select Craig Bell's loan number 11042. Select the Trans tab.
You should see:
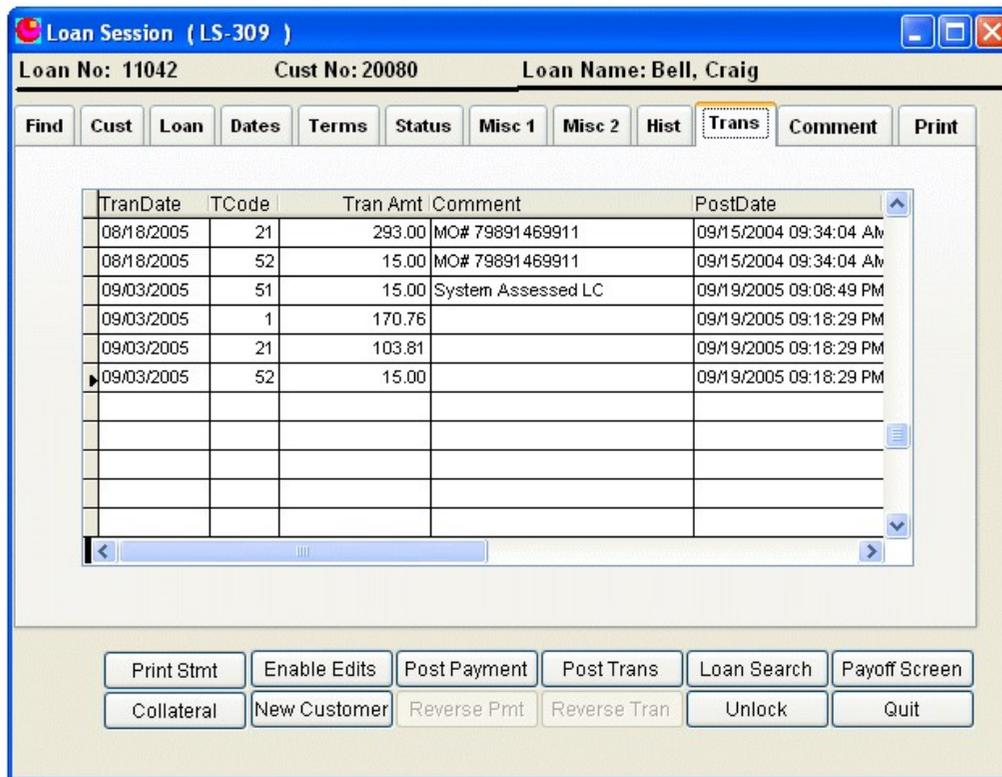
reverse_11042_1.png

The payment you just posted is represented by three transactions. In this case they are the last three in the list. That is because nothing else has been done in this entire system since this payment was posted. In come cases you may have to scroll up to find the transaction to be reversed. In the extreme case that you discover you posted a payment to the wrong account six months ago, there could be as many as six to more than twenty transactions posted after the one you want to reverse.

The transactions will be sorted twice. First on the transaction date and then on the transaction

code. The list will always be in order on transaction date, then transaction code.

Notice that the two buttons labeled "Reverse Payment" and "Reverse Tran" are disabled, greyed out. They are not clickable.

Place your mouse pointer on the first transaction in the group of transactions you want to reverse. In this case it is the principal payment - Tran Code 1, amount 170.76.

Click anywhere on that row. In the example, the click was on the date in the left hand column. Any column is OK.

The field you clicked on will display a darker border and the little triangle pointer will appear in the left hand border of the grid to indicate that row is selected.

The two buttons, labeled "Reverse Payment" and "Reverse Tran" are now enabled. They are now clickable. For this lesson, ignore the "Reverse Tran" button, That will be another lesson.
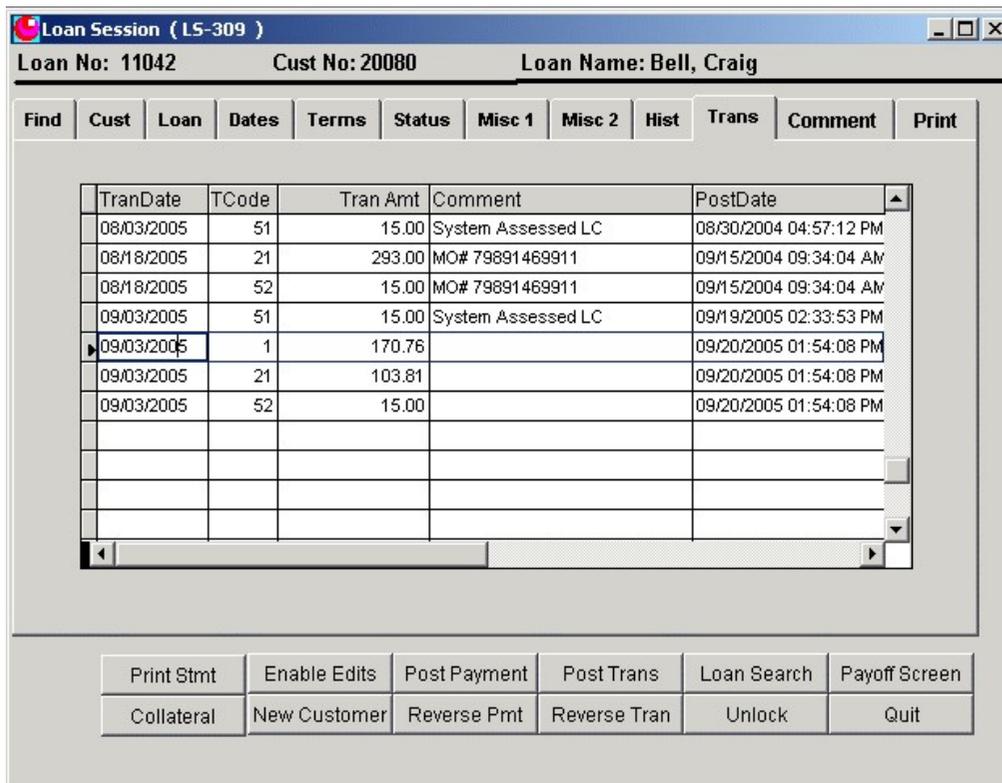
reverse_11042_2.png

After selecting the Principal payment or any other transaction from the group that was posted on 09/03, click on the Reverse Pmt button.

Auto-Reverse Complete Payment, (AR - 309)

Loan No	Tran Date	Tran Code	Amount	Comment
▶11042	09/03/05	51	15.00	System Assessed LC
11042	09/03/05	1	170.76	
11042	09/03/05	21	103.81	
11042	09/03/05	52	15.00	

25.00

☑ Post Check Charge

Reverse Payment Transaction

Cancel

Returned Check Charge

The auto reverse function selects all the transactions posted on the date of the highlighted transaction. Every transaction in this list that is part of a payment transaction will be reversed when you click on the Reverse Payment Transaction button.

IN this case the late charge was assessed on the same day the payment was posted. The late charge assessment will not be reversed but the late charge payment will be reversed.

Since this payment is being reversed due to a bounced check, you will place a check in the "Post Check Charge" box. You can also change the amount of the check charge on this screen before you click "Reverse". The $25.00 amount is a system default that you can change in the system defaults (another lesson)

Click on the Reverse Payment Transaction button, the "Done"

Loan Session (LS-309)

Loan No: 11042   Cust No: 20080   Loan Name: Bell, Craig

Find	Cust	Loan	Dates	Terms	Status	Misc 1	Misc 2	Hist	Trans	Comment	Print

TranDate	TCode	Tran Amt	Comment	PostDate
08/18/2005	52	15.00	MO# 79891469911	09/15/2004 09:34:04 AM
09/03/2005	51	15.00	System Assessed LC	09/19/2005 02:33:53 PM
09/03/2005	1	170.76		09/20/2005 01:54:08 PM
09/03/2005	21	103.81		09/20/2005 01:54:08 PM
09/03/2005	52	15.00		09/20/2005 01:54:08 PM
09/03/2005	12	170.76	Reversal of 09/03/05	09/20/2005 02:24:01 PM
09/03/2005	22	103.81	Reversal of 09/03/05	09/20/2005 02:24:01 PM
09/03/2005	53	15.00	Reversal of 09/03/05	09/20/2005 02:24:01 PM
09/03/2005	47	25.00	Reversal of 09/03/05	09/20/2005 02:24:01 PM

Print Stmt	Enable Edits	Post Payment	Post Trans	Loan Search	Payoff Screen
Collateral	New Customer	Reverse Pmt	Reverse Tran	Unlock	Quit

When the underlying window is displayed again, it will contain four new transactions. Each will have a comment "Reversal of 09/03/05" (Or whatever date you reversed.) The fourth transaction is the returned check charge.

Nor click on the Print Stmt button. Print the statement for this loan and notice the reversal of the transaction and the posting of the penalty assessment.

The $25.00 check charge is assessed only. Since this is a payment reversal, we don't have any money from which to collect the charge. LoanMaster will remember it and remind you of it next time a payment is received.