

Revised Credit Memo Process Impacts on GLAC and Incentives

1 February 2017

Installation Management Command integrates and delivers base support to enable readiness for a globally-responsive Army

We are the Army's Home

Serving the Rugged Professional

The New Credit Memo Process

BO has streamlined all food rebate and incentive programs in CONUS through US Foods. The new process will assist in reducing food costs and more properly align incentives with purchases.

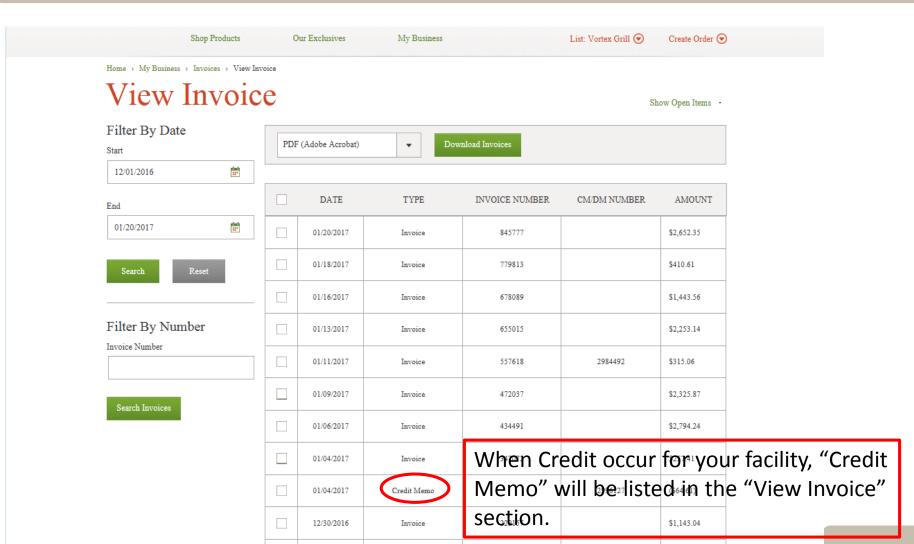
- 1. GPC users will receive credit memo incentives that are posted automatically to their accounts.
- 2. Facilities not using GPC will receive credit memos through their online US Foods accounts. They must print these credit memos and submit them to Texarkana along with the relevant invoices to have the credit memos applied to the invoices.
- 3. The US Foods Credit Coordinator works with DC's and activities to ensure credits are applied to accounts and/or invoices. US Foods Credit Coordinator, USF's account manager, and Texarkana Supervisors are also conducting bi-weekly calls to manage this process.



The New Credit Memo Process

BO proposed changing the accounting treatment as follows:

- In the past, vendor rebates and incentives were recognized in GLAC 554 Other Operating Earnings on the financial statement.
- BO suggests recognizing vendor rebates and incentives in GLAC 411 Purchase Allowances. This will more properly recognize these transactions as a reduction of COGS expense. Although the incentives are not purchase allowances, GLAC 411 more closely aligns with the proper accounting treatment for these transactions.









CREDIT MEMO

Page 1 of 1

ACCOUNT NUMBER	CREDIT MEMO NUMBER	INVOICE NUMBER	ORDER NUMBER	PURCHASE ORDER #	SALES LOCATION	SALES REP			
61128062	2996127	0	140559		2125	606			
CUSTOMER NUMBER	CREDIT MEMO DATE	INVOICE DATE	ORDER DATE	SPECIAL INSTRUCTIONS					
61128062	2017/01/04	00000000	01/04/2017	PM-CMA JS 170001OL-0003 Q316 CMA JS					

BILL TO SHIP TO REMIT TO JSNE BELVR BOWLNG CTR JSNE BELVR BOWLNG CTR US Foods, Inc. 5975 MIDLLETON RD BLDG 5975 MIDLLETON RD BLDG PO BOX 75368 FORT BELVOIR, VA 22060 FORT BELVOIR, VA 22060 BALTIMORE, MD 21275 Dept.: 1 (703) 805-2991 (703) 631-6300 (703) 805-2991

IMPORTANT NOTICE

THE PRICE SHOWN ON YOUR INVOICE MAY NOT BE NET OF ALL DISCOUNTS, ALLOWANCES AND INCENTIVES. ANY INCENTIVE, DISCOUNT OR ALLOWANCE PROVIDED IS PROVIDED AS A DISCOUNT WHICH MAY SUBJECT YOU TO REPORTING AND/OR DISCLOSURE REQUIREMENTS UNDER APPLICABLE FEDERAL OR STATE LAW.

	INVOICE LINE DETAILS											
(QUANTITY	SALES UNIT	PRODUCT NUMBER	DESCRIPTION	LABEL	CREDIT TYPE	PACK SIZE	CODE	WEIGHT	PRICING UNIT	UNIT PRICE	EXTENDED PRICE

INVOICE SUMMARY

They must print these credit memos and submit them to Texarkana along with the relevant invoices to have the credit memos applied to the invoices. Post \$64.61 into GLAC 411 Purchase Allowance

U.S.ARMY

