Invoice Verification

SAP Best Practices for Retail
Purpose, Benefits, and Key Process Steps

**Purpose**
- The Logistic Invoice Verification is a part of Material Management (MM). Logistic Invoice Verification is closely connected with the SAP components Finance (FI) and Controlling (CO). It provides the information for payment or evaluation of invoices to these components. All functions of normal invoice verification are available in logistic invoice verification. Normal invoice verification and logistic invoice verification can be used alongside each other if needed.

**Benefits**
- Some functions as “Unlimited multiple selection” are only available in Logistic Invoice Verification
- An incoming invoice contains a wealth of information
- An important question is the reference to the invoice, which uniquely identifies it to a transaction. If there is such a reference, the system calls on its previous “knowledge” and proposes the appropriate values during verification of the invoice
- An invoice can be blocked
- Price negotiations are conducted at least once a year
- A part of the conditions agreed with the vendor is applied retroactively instead of directly with the merchandise invoice.
Purpose, Benefits, and Key Process Steps

Key Process Steps

• Goods Receipt-Based Invoice Verification with Reference to purchase order/delivery note without/with Differences
• Invoice Verification in Background
• Automatic Settlement
• Accept a quantity/price Variance and Release a Blocked Invoice
Required SAP Applications and Company Roles

**Required SAP Applications**
- SAP Enhancement Package 7 for SAP ERP 6.0

**Company Roles**
- Retail Buyer Invoice Verification
- Retail Warehouse Clerk
- Retail Masterdata Manager
- Purchaser
- Sales Administrator
Process Flow Diagram
Invoice Verification

- Prepare Purchase Order / Execute Goods Receipt
- Check order value
- Enter Invoice
- Display invoice document
- Goods Receipt – Based Invoice Verification
- Parked documents
- Park invoice
- Check Invoice
- Revaluation
- Retroactive price changes in PO
- Check order value
- Logistics invoice verification – background check
- Enter Invoice
- Invoice verification in background
- Accept quantity variance & release blocked invoice
- With Reference to Delivery Note
- Without difference
- Based Invoice Verification - w/o difference
- Based Invoice Verification
Process Flow Diagram

Invoice Verification

1. Enter incoming invoice
2. Accept price variance & release blocked invoice
3. Check order value
4. Automatic clearing of variance
5. Automatic acceptance
6. Enter incoming invoice
7. Subsequent credit
8. Subsequent debit
9. Adjustments
10. Invoice reduction for quantity variance
11. Release blocked invoice
Invoice Verification

Vendor

Invoice

Goods receipt quantity

Order number

Invoice Verification

Distribution center

Invoice data entry

Company Code

Gross amount

Order number

Goods receipt

Assignment
Invoice Verification

**Logistic**
- Enter Vendor's invoice
- Assign to order / goods receipt
- Start Invoice Verification

**Financial Accounting**
- Transfer accepted invoices
- Post invoice

Correction

Invoice correct?
Invoice Verification

Enter Invoice data

- Invoice Verification online
  The invoice will be entered and checked online

- Invoice Verification in the background
  You enter the Invoice data online and the system will verify in the background

- Document parking
  You receive an invoice, enter the data in the system, and save the invoice document. The system does not make any postings. You can change this parked document. When you have finished changing the document, you can post the parked document.

- Automatic Settlement
  Based on predefined rules the invoice will be posted automatically

- Assign the invoice to order, goods receipt, delivery note,...
Corrections

Depending on the situation, there are several possible corrections:

- Accept a quantity variance
- Accept a price variance
- Reducing an invoice because of quantity variance
- Reducing an invoice because of price variance
- Subsequent Debits/Credits
- Posting Total-Based Differences

Transfer the invoice to the Financial Accounting
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