Evaluated Receipt Settlement

in

Logistics Invoice Verification Process

SAP S/4HANA Sourcing and Procurement (Configuration and End-User)

- Evaluated Receipt Settlement (ERS) is a process or an arrangement with the Vendor through which the system automatically posts invoices after the goods receipt is posted

- The invoices are posted based on the goods receipt, and accordingly the vendor is paid

- In ERS scenario, the vendor does not send invoices

- The system uses the prices and discount conditions from the PO, and settlement information is sent to the vendor via messages generated at the time of settlement

- The following are the benefits of using ERS process:
  - Reduces paperwork and data entry loss
  - No need to receive invoice from Vendor
  - No price and quantity variances in invoice verification
  - Purchase orders can be closed quickly
 - No Communication errors

- **Pre-requisites:**
  - ERS indicator should be activated in the Vendor master data
  - "No ERS" indicator should not be checked in Purchasing Info Record
  - GR-Based Invoice and ERS should be checked along with the Tax code information in the PO
  - Maintain Document Type for Invoice Verification for Transaction code: MRRL – T-code: OMR4
  - Maintain Number range interval for ERS – T-code: OMRJ
  - ERS Message Determination configuration

- **Create PO:** ME21N

- **Transaction code:** MRRL
    - **Menu path:** SAP Easy Access -> Logistics -> Materials Management -> Logistics Invoice Verification -> Automatic Settlement -> Evaluated Receipt Settlement (ERS)

- To create invoices automatically, you can define ERS as a periodic job. Schedule the job with Program RMMR1MRS and the required variant
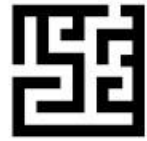
Business Scenario

- The Procurement Team wants to know the following processes related to the Logistics Invoice verification such as:
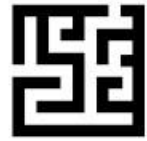 - Evaluated Receipt Settlement
  - Invoicing Plans

Invoicing Plans
- Periodic Invoicing Plan Type
- Partial Invoicing Plan Type
in
Logistics Invoice Verification Process

SAP S/4HANA Sourcing and Procurement (Configuration and End-User)

Business Scenario

- The Procurement Team wants to create the invoices automatically for repetitive procurement transactions, based on the due date such as to pay the recurring monthly rent of their building, leasing, or service agreements etc.

- The Procurement Team wants to pay their Contractors/Consultants partially based on the completion of each stage of a project or when a project milestone is achieved throughout the life of a project

- An invoicing plan is defined in the PO for repetitive procurement transactions such as rental, leasing, or service agreements etc.

- There are two types of invoicing plans:
  - Periodic invoicing plan
    - This is used when invoicing is generated on regular intervals (monthly, yearly and so on)
  - Partial invoicing plan
    - This is used when invoicing is generated based on a milestone and for a partial amount
    - Invoices are generated based on the progress of work

Periodic Invoicing Plan Type

in
Invoicing Plans (LIV)

SAP S/4HANA Sourcing and Procurement (End-User)

- **Create a Purchase Order:**
  - **Transaction code:** ME21N; Order Type: Framework (FO)
  - **Menu path:** SAP Easy Access -> Logistics -> Materials Management -> Purchasing -> Purchase Order -> Create -> Vendor/Supplying Plant Known
  - If you want to select the GR indicator in the PO, you must select the **non-valuated goods receipt** indicator as well because Invoicing plan functionality doesn't work with valuated goods receipts

- **Periodic Invoicing Plan Settlement:**
  - **Transaction code:** MRIS
  - **Menu path:** SAP Easy Access -> Logistics -> Materials Management -> Logistics Invoice Verification -> Automatic Settlement -> Invoicing Plan Settlement

Partial Invoicing Plan Type
in
Invoicing Plans (LIV)

SAP S/4HANA Sourcing and Procurement (End-User)

- **Create a Purchase Order:**
  - **Transaction code:** ME21N; Order Type: Framework (FO)
  - **Menu path:** SAP Easy Access -> Logistics -> Materials Management -> Purchasing -> Purchase Order -> Create -> Vendor/Supplying Plant Known
  - ERS indicator should be activated into the Vendor master
  - If you want to select the GR indicator in the PO, you must select the **non-valuated goods receipt** indicator as well because Invoicing plan functionality doesn't work with valuated goods receipts
- **Periodic Invoicing Plan Settlement:**
  - **Transaction code:** MRIS
  - **Menu path:** SAP Easy Access -> Logistics -> Materials Management -> Logistics Invoice Verification -> Automatic Settlement -> Invoicing Plan Settlement