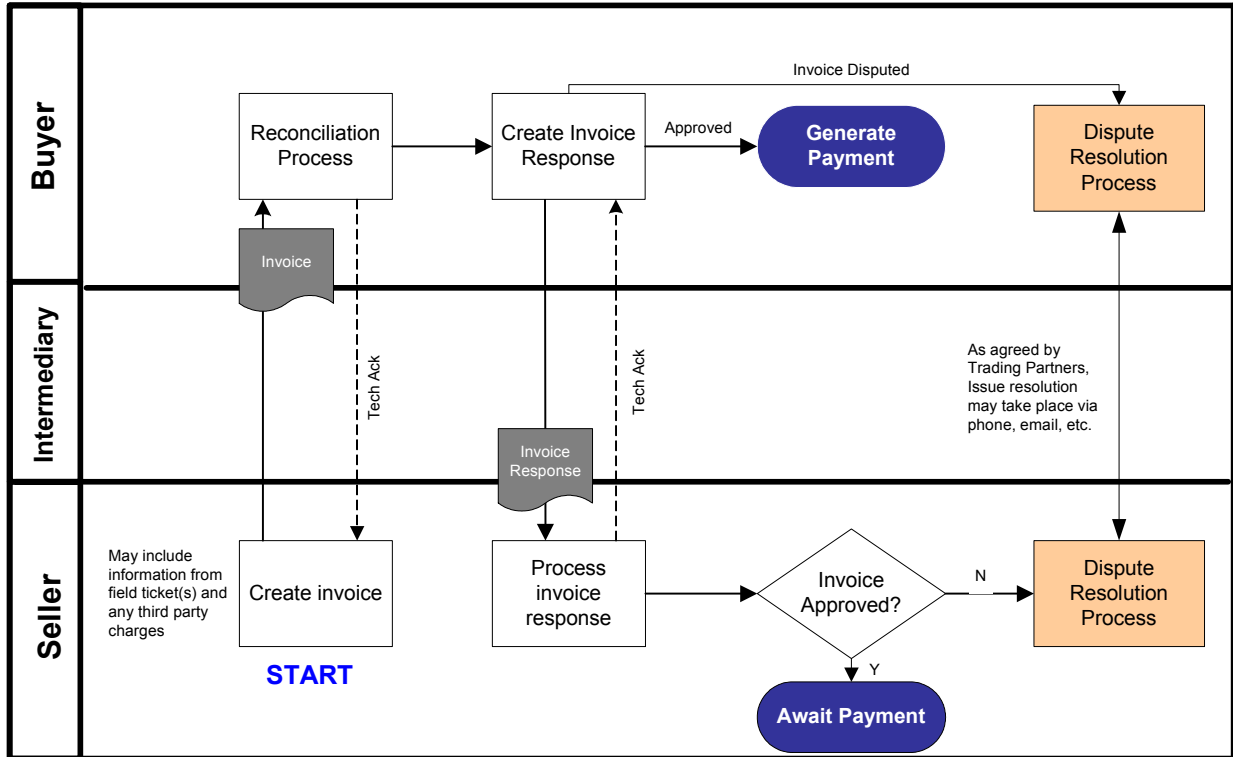


Invoice Process Business Process Guideline

Below is the Business Process Diagram illustrating the Seller-initiated Invoice transaction process, modified from the version originally defined by the ComProServ project. This is not the only method by which the process may occur, however, it represents a primary process. Intermediaries, including routing hubs and/or networks, may be involved if necessary.



Process Model - A Seller creates an invoice using information from one or many field tickets and third party charges, if applicable. The invoice is sent to the Buyer. The Buyer reconciles the invoice and creates an invoice response to indicate acceptance or dispute of invoice. If the Buyer disputes the Invoice, Trading Partners will resolve issues and continue process as appropriate according to mutually agreed dispute resolution procedures.

The Invoice Response message refers to Invoice data and is transmitted by buyer to seller to indicate that the invoice has been approved for payment or that there is a problem and the invoice will not be processed until an appropriate dispute resolution process has been completed. Invoice Response should be sent within time frame agreed to by Trading Partners.

Use Case: Correct Invoice

Business process name	Correct Invoice
Identifier	PIDX XML Invoice and Invoice Response
Actors	Buyer, Seller Intermediary may be involved
Definitions	<p>Trading Partner: The Buyer or Seller</p> <p>Intermediary: Organization between Trading Partners that may handle routing and/or act on behalf of Trading Partner at different stages in the business process workflow</p> <p>Message: Payload along with TRP protocol envelope</p> <p>Payload: Invoice along with any attachments</p> <p>Routing Hub: Intermediary that routes messages but does not participate in business process workflow.</p> <p>Network: Intermediary that acts on behalf of buyer or seller and is a participant in the business process workflow.</p> <p>Invoice Response: The Invoice Response message refers to Invoice data payload and is transmitted by buyer to seller to indicate that the invoice has been approved for payment or is in dispute.</p>
Description	Seller issues invoice for products/services delivered. Buyer Invoice reconciliation process concludes and payment is approved.
Pre-condition	The Seller has provided goods or services according to the conditions set in the contract and/or order. The Buyer has received the goods or services.
Post-conditions	Invoice will be paid.
Scenario	<p>The supplier provides goods or services to the customer. The Seller will generate the invoice for the goods or services delivered.</p> <p>The Buyer checks the invoice for accuracy.</p> <p>Upon conclusion of reconciliation process, Buyer issues Invoice Response to accept/approve invoice and payment is rendered.</p>
Recommended Best Practices	<ul style="list-style-type: none"> • Buyer should issue one Invoice Response to accept/approve Invoice at the successful conclusion of reconciliation process. • Invoice and Invoice Response should be transmitted via the same communication channel. • Each Invoice transaction should receive a corresponding Invoice Response transaction.

Use Case: Disputed Invoice

Business process name	Disputed Invoice
Identifier	PIDX XML Invoice and Invoice Response
Actors	Buyer, Seller Intermediary may be involved
Definitions	<p>Trading Partner: The Buyer or Seller</p> <p>Intermediary: Organization between Trading Partners that may handle routing and/or act on behalf of Trading Partner at different stages in the business process workflow</p> <p>Message: Payload along with TRP protocol envelope</p> <p>Payload: Invoice along with any attachments</p> <p>Routing Hub: Intermediary that routes messages but does not participate in business process workflow.</p> <p>Network: Intermediary that acts on behalf on buyer or seller and is a participant in the business process workflow.</p> <p>Invoice Response: The Invoice Response message refers to Invoice data payload and is transmitted by buyer to seller to indicate that the invoice has been approved for payment or is in dispute.</p>
Description	Seller issues invoice for products/services delivered. Buyer finds error(s) during reconciliation process and issues Invoice Response to reject Invoice. Dispute resolution process begins.
Pre-condition	The Seller has provided goods or services according to the conditions set in the contract and/or order. The Buyer has received the goods or services.
Post-conditions	Trading partners will address issues and continue invoice-to-pay process as appropriate.
Scenario	<p>The Seller provides goods or services to the Buyer. The Seller will generate the invoice for the goods or services delivered.</p> <p>The Buyer checks the invoice for accuracy.</p> <p>Buyer reconciliation process results in a disputed invoice. Buyer issues Invoice Response to reject/dispute entire Invoice. Rejection/Dispute may be system- or human-generated, depending on where the error is identified during reconciliation process.</p> <p>Reasons for dispute may be listed at the line item level or pertain to the entire invoice.</p>
Remarks	<p>Responses to a disputed invoice may include:</p> <ul style="list-style-type: none"> • Original invoice is accepted by Buyer following discussion with Seller • Seller may cancel original invoice • Buyer may pay original invoice and seller may issue credit or debit memo • Seller may re-send corrected invoice <p>Standard reasons for Invoice/line items include:</p> <ul style="list-style-type: none"> • Missing or invalid data + x-path reference • Duplicate Invoice Number • Item not received • Product or Service Price Dispute • Taxation error • Invalid Attachment Name/Type • Missing supporting documentation • Item doesn't match contract

	<ul style="list-style-type: none"> • Quantity Variance • Invoice Total does not match calculated total • Three-way or Two-way match error • Invoice total exceeds authorized order spending limit • Purchase Order closed or invalid dates • Negotiated adjustments not shown on invoice • Other <p>A “free form” text area is available and should always be used if “Other” is selected. This may occur if a Buyer has non-standard reasons for disputing an invoice.</p>
<p>Recommended Best Practices</p>	<ul style="list-style-type: none"> • Reason/Code “Other” and free form text should only be used when an appropriate standard reason is unavailable. • To the extent possible, all known reasons should be identified for the point of failure. • Invoice and Invoice Response should be transmitted via the same communication channel. • Each Invoice transaction should receive a corresponding Invoice Response transaction.