



# Feature at a Glance

## Evaluated receipt settlement (ERS) and automatic invoicing for service items

Roberto Valdovinos, SAP Ariba  
Target GA: May,2019

CONFIDENTIAL

## Feature at a Glance

Ease of implementation  Low touch / simple  
Geographic relevance  Global

# Introducing: Evaluated receipt settlement (ERS) and automatic invoicing for service items

## Customer challenge

Currently, SAP Ariba only supports Evaluated receipt settlement (ERS) for Material items. Customers want to be able to allow ERS for Services items as well.

## Meet that challenge with SAP Ariba

This feature introduces self-billing/evaluated receipt settlement (ERS) for service purchase orders in SAP Ariba solutions.

With this feature, invoices are created automatically for service items flagged for ERS when the referenced service sheets are fully approved (Processed).

Additionally, this feature supports correction service sheets (also known as negative service sheets) to revoke processed service sheets and reverse the corresponding invoices using automatically-generated credit memos.

## Experience key benefits

Allow customers to set the ERS flag on the requisitions to make service line items eligible for automatic invoicing once the Service sheet is approved.

## Solution area

- SAP Ariba Buying and Invoicing
- SAP Ariba Invoice Management

## Implementation information

This feature is automatically on for all customers with the applicable solutions but requires customer configuration.

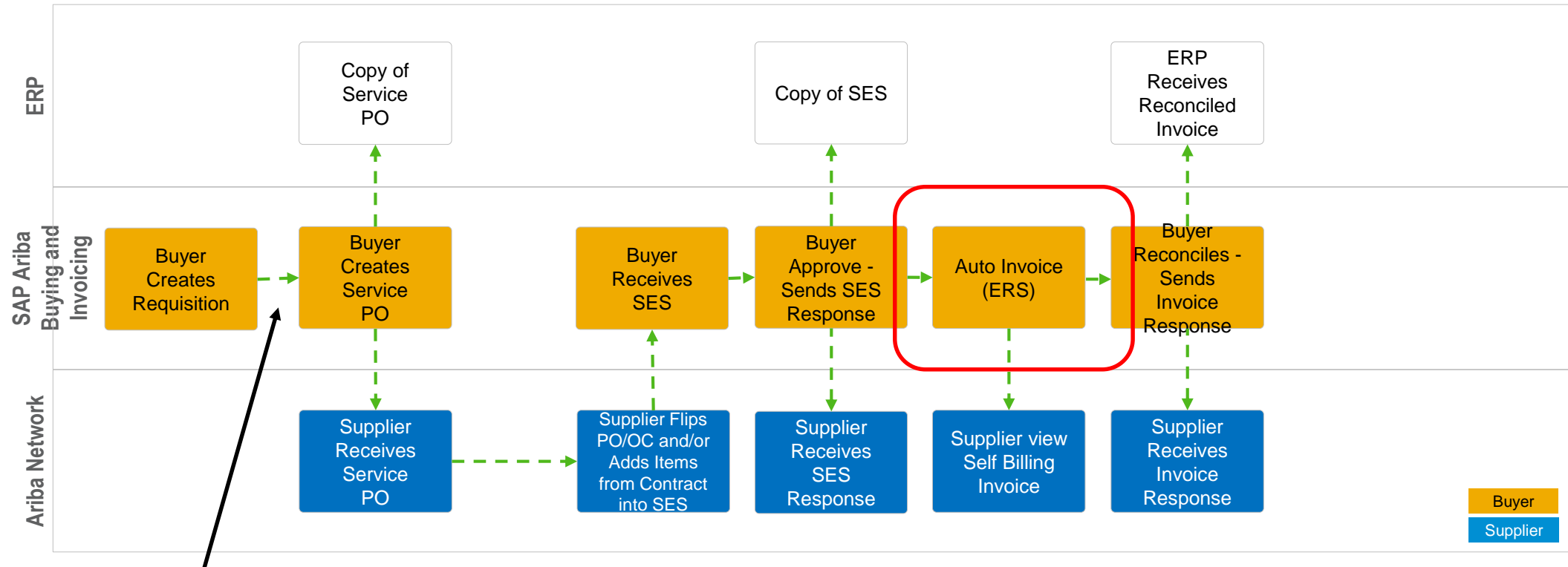
## Prerequisites and Limitations

- You must have an agreement with suppliers on the applicable conditions before you enable ERS.
- Ensure that data import tasks required to enable supplier locations for ERS transactions must be complete.

## Feature at a Glance

Introducing: **Evaluated receipt settlement (ERS) and automatic invoicing for service items**

The following is a high-level workflow to procure service items flagged for ERS:



An approver having membership of the **Purchasing Manager** or the **Invoice Manager** group ensures that the **ERS Allowed** field is set to **Yes** for the parent lines on the requisition and then approves the requisition

# Feature at a Glance

Introducing: **Evaluated receipt settlement (ERS) and automatic invoicing for service items**

## How to flag a service item for ERS transactions and supplier view on Ariba Network

### Parent line item on Requisition

PR92911:

---

#### Line Item Details

Commodity Code: Data services

Item Category: \* Service

Material Group: 007 (Services)

Vendor: VDR4276885 (BlackNGold Enterprises)

Contact: HQ [ select ]

Payment Terms: 0001 [ select ]

Max Amount: USD

Expected Amount: \$20,000.00 USD

Service Start Date:

Service End Date:

Purch Org: 3000 (IDES USA)

**ERS Allowed:  Yes  No**



### Purchase Order as seen by Supplier

⚠ Invoicing is not possible for one or more line items. Click on the line item's warning icon to find out why.

Line Items Show Item Details

Line #	Part # / Description	Type	Qty (Unit)	Unit Price	Subtotal	Tax
⚠ 1	Not Available	Service Invoicing not possible			\$21,500.00 USD	\$1,935.00 USD
MPLS data link						
⚠ 2	Not Available	Service Invoicing not possible	1 (EA)	\$1,500.00 USD	\$1,500.00 USD	

• You can't create invoices for items that are flagged for evaluated receipt settlement (ERS).

Service Sheet Required

Sub-total: \$21,500.00 USD



### Invoice received by Supplier after SES has been submitted and approved

Invoice: SS375INV1384 Done Previous

Create Line-Item Credit Memo Create Line-Item Debit Memo Copy This Invoice Print Download PDF Export cXML

**Detail** Scheduled Payments History

#### Standard Invoice

<b>Status</b>		<b>Subtotal:</b>	<b>\$1,500.00 USD</b>
Invoice:	Sent	Total Tax:	\$0.00 USD
Routing:	Sent	Total Special Handling:	\$0.00 USD
Invoice Number:	SS375INV1384	Total Shipping:	\$0.00 USD
Invoice Date:	Tuesday 22 Jan 2019 2:30 AM GMT-08:00	Total Charges:	\$0.00 USD
Original Purchase Order:	PO2645	Total Discount Amount:	\$0.00 USD
Submission Method:	Online	Amount Due:	<b>\$1,500.00 USD</b>
Origin:	Customer		

## Feature at a Glance

Introducing: **Evaluated receipt settlement (ERS) and automatic invoicing for service items**

### How to create a correction service sheet

Correction service sheets can be created for both ERS and non-ERS items to reverse item quantities that were inadvertently over invoiced.

**Prerequisites:** The invoice corresponding to the service sheet for which you want to create a correction service sheet must be in the **Approved** or the **Reconciling** state.

Service Sheet: ses2675-1 from BlackNGold Enterprises Status: **Processed**

These are the details of the request you selected. Depending on its status, you can edit, change, copy, cancel, or submit the request for approval. You may also print the details of the request. Review your request and take the desired action(s).

[Create Correction Service Sheet](#) [Print](#)



- Correction service sheets allow only negative values for item quantities. The negative value corresponds to the quantity you need to reverse.
- The SAP Ariba solution allows you to reverse not more than the entire quantity of a line item on the referenced service sheet

▼ Line Items

1 Item Total ☰

<input type="checkbox"/>	No.	Type	Description	ERS Allowed	Supplier Part Number	Unit	Qty	Unit Price	Amount	Invoiced/Service
<input type="checkbox"/>	▼ 1		RV Test ERS and correction SES	Yes					\$0.00 USD	
<input type="checkbox"/>	1		Data services for site Alpha			each	-20	\$120.00 USD	-\$2,400.00 USD	► More

[Delete](#) [Update](#)

**NOTE:** Once the correction service sheet is approved, it will trigger the automatic creation of a Credit Memo to offset the Invoiced amount.

# Feature at a Glance

Introducing: **Evaluated receipt settlement (ERS) and automatic invoicing for service items**

## How to create a correction service sheet

The result of a correction service sheet on an ERS items is illustrated below, where both a negative Service Sheet and Credit memo will be created.

PO2675 - RV Data Services Status: **Partially Serviced**

These are the details of the request you selected. Depending on its status, you can edit, change, copy, cancel, or submit the request for approval. You may also print the details of the request. Review your request and take the desired action(s).

[Change](#) [Print](#) [Create Advance Payment](#) [Create Service Sheet](#)

Summary Approval Flow Receipts **Service Sheets** Invoices Payments Messages History

Service Sheet # 1	Supplier Name	Service Start Date	Service End Date	Amount	Status
ses2675-1	BlackNGold Enterprises			\$2,400.00 USD	Processed
ses2675c	BlackNGold Enterprises			-\$2,400.00 USD	Processed

PO2675 - RV Data Services Status: **Partially Serviced**

These are the details of the request you selected. Depending on its status, you can edit, change, copy, cancel, or submit the request for approval. You may also print the details of the request. Review your request and take the desired action(s).

[Change](#) [Print](#) [Create Advance Payment](#) [Create Service Sheet](#)

Summary Approval Flow Receipts Service Sheets **Invoices** Payments Messages History

Invoices

Invoice # 1	Invoice Date	Supplier	Supplier Contact	Status	Total
SS394INV1401	Wed, 30 Jan, 2019	VDR4276885 (BlackNGold Enterprises)	HQ	Reconciling	\$2,400.00 USD
SS396INV1402	Wed, 30 Jan, 2019	VDR4276885 (BlackNGold Enterprises)	HQ	Reconciling	-\$2,400.00 USD

## Feature at a Glance

### Introducing: **Evaluated receipt settlement (ERS) and automatic invoicing for service items**

#### Site configuration options

Some of the functionality for this feature is controlled by site configuration parameters, which your administrator can set in Ariba Administrator under **Customization Manager / Parameters**.

- *Application.Procure.EnableERSForServiceItems* (enabled for self-service)

Determines whether invoices are generated automatically from approved service sheets for suppliers that are configured for Evaluated Receipt Settlement (ERS). If both this parameter and the *Application.Procure.EnableERS* parameter is set to Yes, invoices are created automatically when service sheets are fully approved (SAP Ariba Buying and Invoicing) or imported from the external system (SAP Ariba Invoice Management). In addition, users can create correction service sheets with reference to invoiced service sheets for ERS items or a mix of ERS and non-ERS items.

The default value of this parameter is No.

- *Application.ServiceSheet.EnableCorrectionServiceSheet* (enabled for self-service)

Specifies whether the SAP Ariba solution allows users to create correction service sheets with reference to invoiced service sheets.

The default value of this parameter is No