Releasing Post invoicing docs NAM

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Objective of this procedure

The purpose of this document is to describe the Credit / Debit and Returns releases in WP1 and PF1 by the SBS OtC service center in Curitiba

Scope

The OtC Service Center is in charge of controlling and releasing in WP1:

- document types :
  - related to Rebates : B1, B3, B4
  - related to Credit : G2, ZG2, KR
  - related to Debits : L2, ZL2
  - related to Returns : RE, KR, KA
- Billing blocks 08, 09 and 14
- For Novecare NAM (Sales org US05 and CA02) / Technology Solution (Ex Novecare NAM US21 and CA11)/ Special Chem (Sales or US01 and CA10) Legal Entity 7424 and 7651.

The OtC Service Center is in charge of controlling and releasing in PF1:

- document types :
  - related to Credit : CRV, CRVA, CRVT, CR, ZCRB, RK, ZCDP
  - related to Debits : DRV, DRVA, DRVT, ZDRB, DR
  - related to Returns : REA, ZREB, ZREN, ZROB
- Billing blocks 08, AA
- For Special Chem NAM (Sales org 3384) / Legal Entity 3384.

Definition

2 different processes to correct an invoice:

1. Some customers only want to be debited or credited for the “difference” on the original invoice.
   - In this case Customer Service calculates what the customer is owed or what balance needs to be billed. Creates only a debit or Credit for that amount.
2. Some customers require a “clean invoice” (most common case)
   - Completely Credit the original invoice and correctly Debit entire invoice.

The validation email should detail which case it is.

For WP1, ZI partner is the CSR managing the document. He/she can be retrieved in the Header partners (can be via transaction VA03 or V23):

Scope

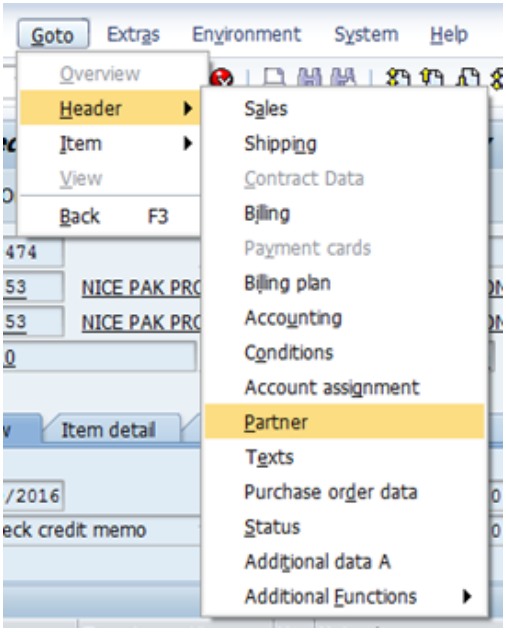
NAM

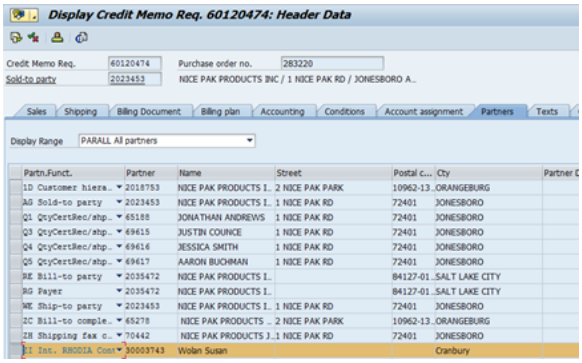
ERP

PF1 WP1

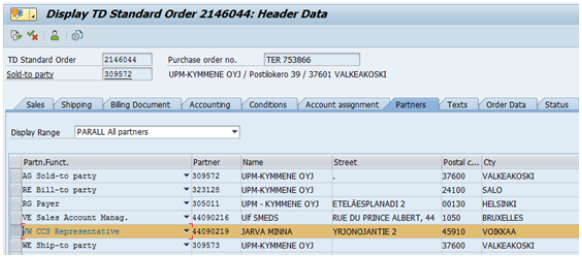
References

Attachments



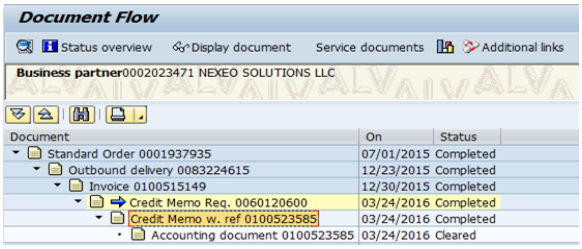


In PF1, the CSR can be retrieved the same way, but under partner VW :

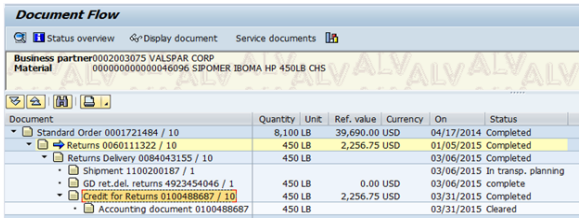


A credit / debit memo Request, and a Return, when released from billing block, will generate a Credit / debit Note or a Credit for Return that will actually trigger the payment to the customer.

This information can be found in the Document flow. Once the Credit / debit memo Request or the return has been released from Billing block, the Credit memo, Debit Memo or Credit for Returns document will show in the document flow.

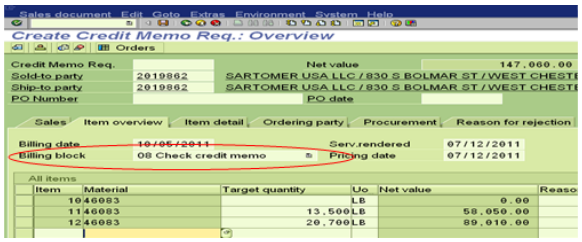


Example of a return :



Procedure

When Post invoicing documents are created by Customer Service, a Billing block is automatically populated. Customer service Rep doesn't have the authorizations to remove this billing block.



Customer service Rep is responsible to:

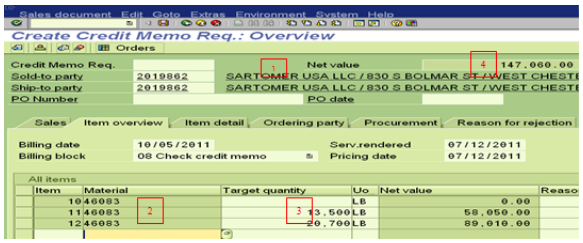
- Obtain the required validation(s) in the GBU according to their dedicated Matrix of Validation related to post-invoicing
- Ensure that the customer, the material, the quantity, and the value are correct
- Ensure that the Taxes are correctly applied (Header text: The CSR will enter a text in the "Internal note" text taxes have been impacted)
- Check that there is no duplicate in the document flow

SBS Service Center in Curitiba is responsible to check:

- That the doc was created in reference to an invoice (if only 1 invoice was at stake. If against multiple invoices (ie created without reference), need to list all invoices # in internal header texts)
- No duplicate in the document flow
- That the validation has been attached in the Credit /debit memo (mandatory)
- That the validator is the right person according to the BU Matrix of validation (valid one year)
- That the customer, the material, the quantity, and the value are correct according to the validation email attached / text entered by the CSR.

Example

For example, if the validation email says that we are issuing a Credit for Sartomer (1), for material 46083 (2) for 34 200lb (3) for 147060 USD (4), this check is OK.



- that the Taxes are correctly applied (Header text: Internal note should mention if taxes have been impacted)
- for returns : That the plant has received the product back using 651 and 4xx transaction so we don't have FI-CO differences, and that it is the same quantity as the credit memo (see details below).

1. Monitor Blocked Documents

1.1. Frequency

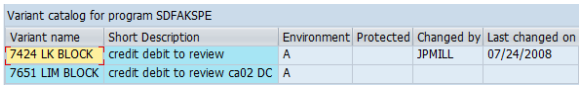
Once a day or more often (3 times at least: morning, lunch time and 5pm Eastern time) during closing period (last days / first days). SBS OtC Service center will receive an email from Jean O'Brien that also could be a trigger to identify blocked documents and release then.

1.2. Through transactions V23 / ZV23 in WP1

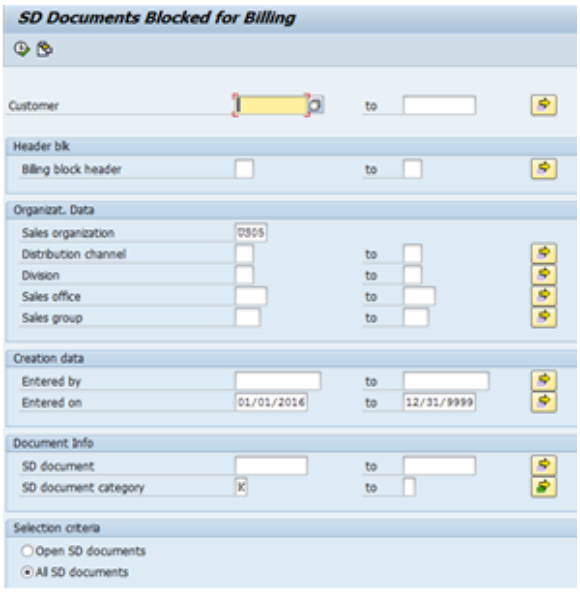
Run V23 or ZV23 in WP1

With selection criteria:

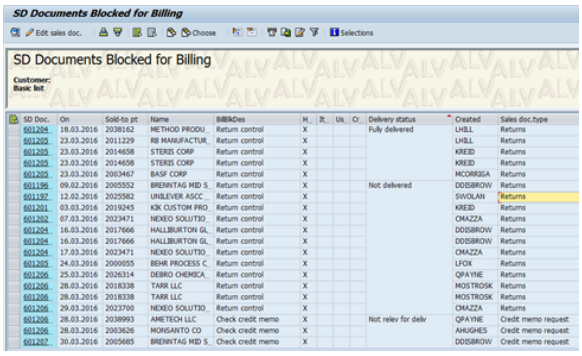
- Sales org US05 / CA02 / US21 / CA11 / US01 / CA10
- Header Billing block: 08, 09, 14
- Entered on: from: Jan 1st 2016(or current year) until today's date
- ALL SD Document
- SD document category: H, K, L



Or use variants in V23:



A list of documents to be released is displayed.



Enter the Credit / debit / return request document by clicking on the document number in SD Doc column

To do sort by “Delivery status” and -> to define priorities:

First: fully delivered, not relev for deliver, and

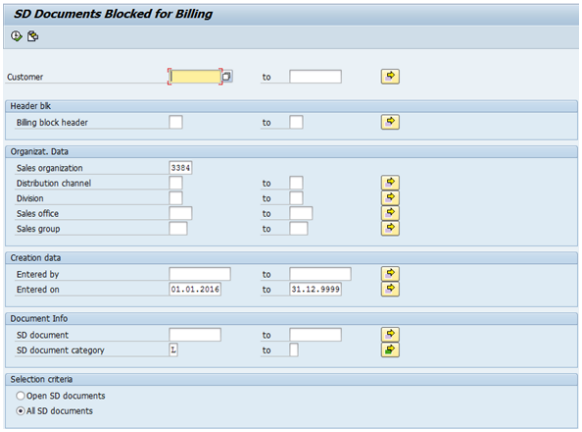
***not delivered in case of returns (in “stand by” until confirmation is delivered)

1.3. Through transactions V23 / ZV23 in PF1

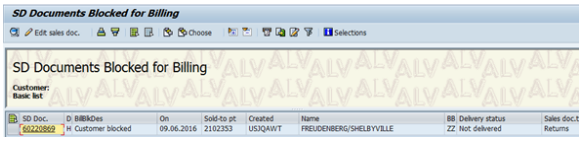
Run V23 or ZV23 in PF1

With selection criteria:

- Sales org 3384
- Entered on: from: Jan 1st 2016(or current year) until today's date
- ALL SD Document
- SD document category: H, K, L



A list of documents to be released is displayed.



Enter the Credit / debit / return request document by clicking on the document number in SD Doc column

To do sort by “Delivery status” and -> to define priorities:

First: fully delivered, not relev for deliver, and

***not delivered in case of returns (in “stand by” until confirmation is delivered)

2. Control the documents

Proceed to the controls to check the accuracy of Document and Validations

STEP 1

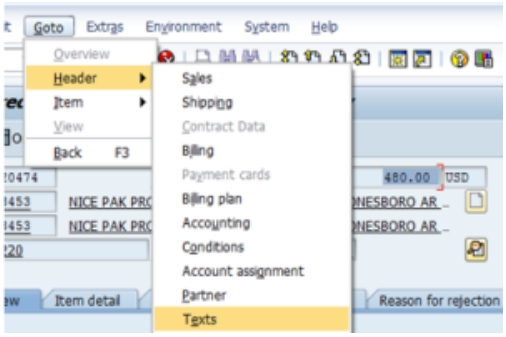
Start with Credit and Debit Memos (sales document type)

STEP 2

Note the net value of the document

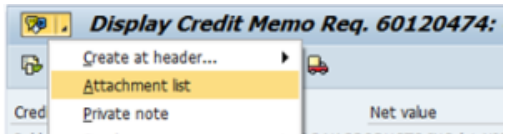
STEP 3

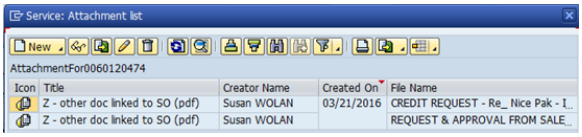
Check the header texts



STEP 4

And check the attachment list

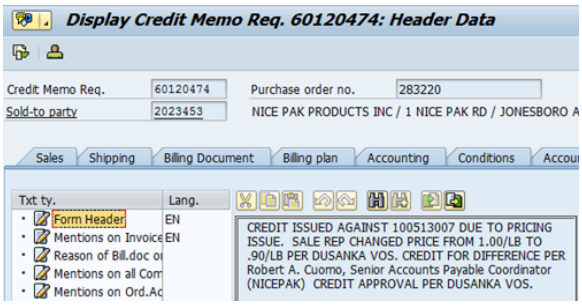




STEP 5

Check that the validation has been attached or copied in the header texts

(form header or mention on invoice header texts) in the Credit /debit memo



STEP 6

Check in the approval matrix if the approver is an authorized person

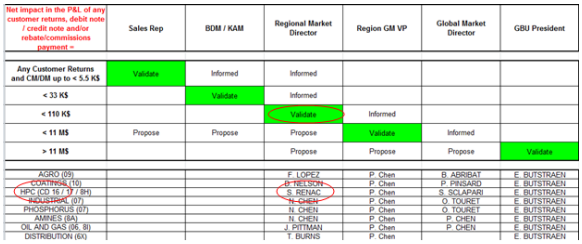
Validation Matrix is valid 1 year maximum.

Novecare

See below an example of the validation matrix for Novecare NAM as of Q1 2016.

For Documents with Net value > 11M$, the GBU President, E. Bustraen must validate the document.

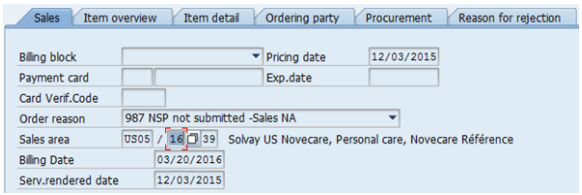
For documents with Net value below 110K$ but above 33K$, the Regional Market Director of that Market must validate. For Distribution Channel 16 (HPC – Personal care), the validation email must come from S. Renac.



Net impact in the P&L of any customer returns, debit note / credit note and/or rebate/commissions payment =	Sales Rep	BDM / KAM	Regional Market Director	Region GM VP	Global Market Director	GBU President
Any Customer Returns and CM/DM up to < 5.5 K$	Validate	Informed	Informed			
< 33 K$		Validate	Informed			
< 110 K$			Validate	Informed		
< 11 M$	Propose	Propose	Propose	Validate	Informed	
> 11 M$			Propose	Propose	Propose	Validate

AGRO (09)			F. LOPEZ	P. Chen	B. ARRIBAT	E. BUTSTRAEN
COATINGS (10)			D. NELSON	P. Chen	P. PINSARD	E. BUTSTRAEN
HPC (CD 16 / 17 / IIH)			S. RENAC	P. Chen	S. SCLAPARI	E. BUTSTRAEN
INDUSTRIAL (07)			N. CHEN	P. Chen	O. TOURET	E. BUTSTRAEN
PHOSPHORUS (07)			N. CHEN	P. Chen	O. TOURET	E. BUTSTRAEN
AMINES (8A)			N. CHEN	P. Chen	P. CHEN	E. BUTSTRAEN
OIL AND GAS (06, 8)			J. PITTMAN	P. Chen	P. CHEN	E. BUTSTRAEN
DISTRIBUTION (6X)			T. BURNS	P. Chen		E. BUTSTRAEN

The Market can be determined in the WP1 document by checking the Distribution Channel in the Sales Tab.



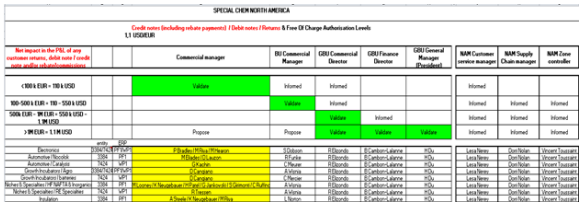
Or if the validator is a Sales Rep, you can check it in the Sales Tab of the Header : Sales Group : if the Sales Rep found in the Sales group is the one validating the post invoicing document, the check is successful.

Special Chem

See below an example of the validation matrix for Special Chem NAM as of Q3 2016.

For Documents with Net value >1M EUR = 1.1 M USD, the GBU President/GBU Finance Director and GBU Commercial Director must validate the document.

For documents with Net Value between 100-500 k EUR = 110 - 550 k USD the BU Commercial Manager must validate and above <100 k EUR = 110 k USD Commercial Manager must validate



SPECIAL CHEM NORTH AMERICA

Credit notes (including rebate payments) / Debit notes / Returns & Free Of Charge Authorization Levels

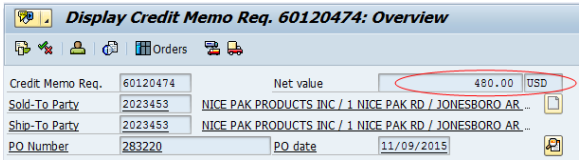
L1 USD/EUR

Net impact in the P&L of any customer returns, debit note / credit note and/or rebate/commissions payment =		Commercial manager	BU Commercial Manager	GBU Commercial Director	GBU Finance Director	GBU General Manager (President)	NAM Customer service manager	NAM Supply Chain manager	NAM Zone controller
<100 k EUR - 110 k USD		Validate	Informed	Informed			Informed		
100-500 k EUR - 110 - 550 k USD		Validate	Informed				Informed	Informed	Informed
500k EUR - 1M EUR - 550 k USD - 1.1M USD				Validate	Informed		Informed	Informed	Informed
> 1M EUR - 1.1 M USD		Propose	Propose	Validate	Validate	Validate	Informed	Informed	Informed

STEP 7

Check that the SAP Net value and currency matches the request received

Net value in the WP1 header document must be the same as the value in the validation email

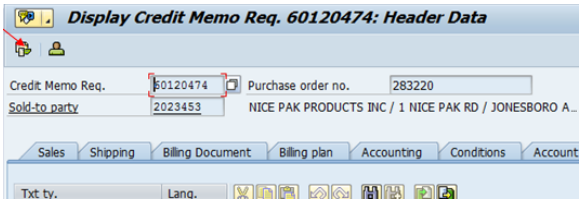


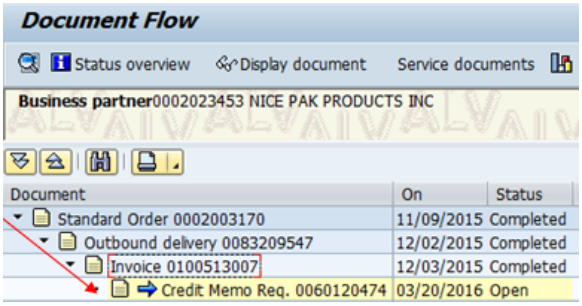
STEP 8

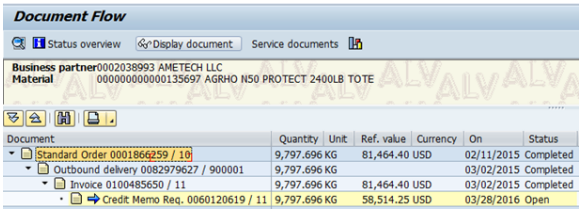
Check that the doc was created in reference to an invoice

This is mandatory if only 1 invoice was at stake. It can be verified in the document flow.

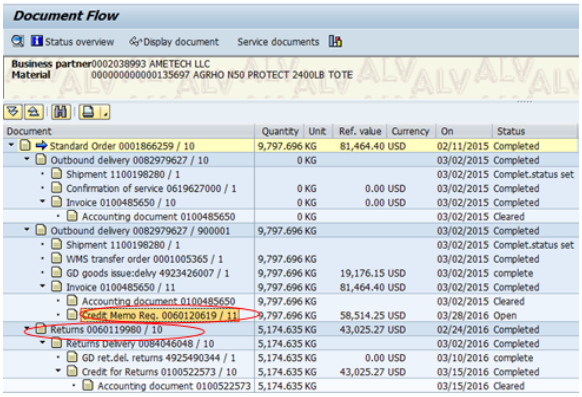
Select the sales order and Display Document





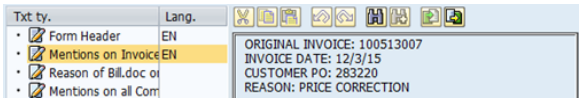


Then select Document flow again from the Sales order



For Example, BO could question if one Sales order was already subject to a Return, and then, an additional Credit memo was issued.

For example, in this document flow, we see both a return and a Credit memo



If the doc was created against multiple invoices (ie created without reference), need to list all invoices # in internal header text or Mention on invoice header texts

Customer service is responsible

- for the accuracy of the customer, material, quantity and value but BO can question if the value doesn't make sense (few dollars, negative value...)
- to check that the Taxes are correctly applied (extremely rare) but BO can question if it doesn't match the information in the Header Text Internal Note (Header text: Internal note should mention if taxes have been impacted)

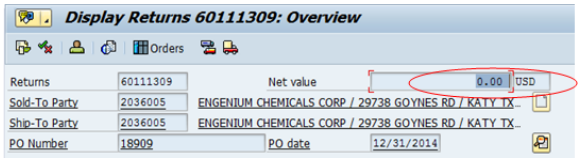
STEP 9

Check the returns

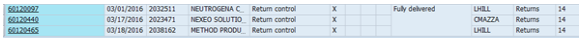
Returns should not stay in the report for longer than a month. If creation date is more than a month ago, contact CSR (ZI / VW partner) with a screen shot of the report sorted by date with the one older than a month , copy the supervisors, asking if the return has been returned already or when it will be check attachment or text for validation.

If status in report is Not Delivered, ignore. The document is not ready to be released.

If return Net value = 0, document can be released without any further check.



Status for Returns :



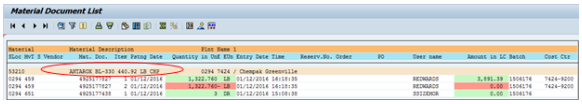
Attention, the fully delivered status for returns is not accurate. Not all fully delivered documents should be released. Further checks should be performed for Returns in the fully delivered status:

- Check Jean O'Brien's email she will send daily showing which documents can be released.
- Or Another way to check is to use MB51:

Check MB51 with material / plan / customer: check that the plant has received the product back using 651 (and not cancelled by 652) and 4** transaction (4** must show 2 lines in the result

- one with value and one without) so we don't have FI-CO differences, and that it is the same quantity as the credit memo (note: Unit of measure can be different).

In this example, Stock movement 651 is for 3 DR. There is no cancellation of 651 by a 652 movement. Then we do have 2 lines for 459 documents. One with value, one without => OK, conform with what is expected.



Now check the quantity. The 651 and 459 must match. In this example, there is a unit difference.

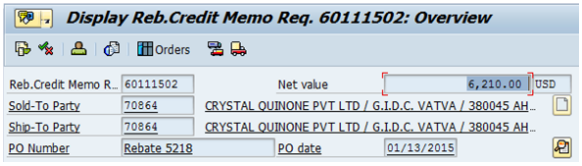
The 651 movement is in DR (Drums). We see in the material description (circled in Red) that 1 DR = 440.92 LB. We calculate that 3 DR = 1322.76 LB. 1322.76 is the quantity in the 459 movement => we can validate that the quantity in 651 = to the quantity in 459 => Return validated.

If there is a quantity difference, send an email to the CSR (ZI/VW partner) to check.

STEP 10

Check the value that shows on the validation email and compare to the net value in the document to validate it is matching.

Same controls as other documents apply (validation email from the right person depending on the validation matrix, …)



3. Request Correction / additional information about the Post invoicing document

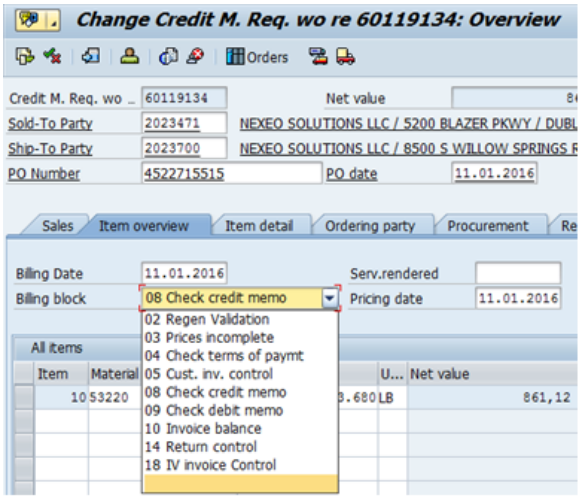
For each doc failing controls, send an email to the CSR (ZI / VW partner in the header Partner tab) stating the failed controls and requesting the missing information / correction of the inaccuracies. Once the Service Center has received a satisfying answer, ask the CSR to add this justifying email trail in the attachments.

4. Release billing block

When all controls are successfully completed:

Go in Item Overview tab

Remove billing block 08, 09 or 14 (replace Block with Blank)



Save

⚠ Note: Twice a day, the actual debit / credit memos and Credit for returns (invoices) will generate by job

5. Validation matrix update

Yearly, OtC Service Center sends an email to the Regional Finance Manager NA (ie as of 03/2016: Carl Machado) to retrieve the updated matrix for Novecare and for Special Chem: Vincent Toussaint and Lesa Nerey.

If the validation matrix is updated outside of the standard timing (beg of the year), Finance is in charge of informing the OtC Service Center Manager (ie as of 03/2016: Walquiria Costa