Concur Invoice: Purchase Order Matching

Setup Guide for Standard Edition

Last Revised: December 10, 2021

Applies to these SAP Concur solutions:

- ☐ Concur Expense
  - ☐ Professional/Premium edition
  - ☐ Standard edition
- ☐ Concur Travel
  - ☐ Professional/Premium edition
  - ☐ Standard edition
- ☒ Concur Invoice
  - ☐ Professional/Premium edition
  - ☒ Standard edition
- ☐ Concur Request
  - ☐ Professional/Premium edition
  - ☐ Standard edition

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Revision History

Date	Notes/Comments/Changes
August 30, 2022	Minor edits; cover date not updated
January 21, 2022	Updated the copyright year; no other changes; cover date not updated
December 10, 2021	Updated instructions for **Product Settings** page
March 4, 2021	Updated the copyright year; no other changes; cover date not updated
July 29, 2020	Updated procedures to reflect changes to the **Users** page.
April 22, 2020	Renamed the Authorization Request check box to Request on the guide's title page; cover date not updated
January 8, 2020	Updated the copyright; no other changes; cover date not updated
June 8, 2019	Updated text and images throughout to reflect UI name change from "Cost Tracking" to "Custom Fields".
March 16, 2019	Added a note regarding the new **All Purchase Orders** list page for Purchasing Admins in the March release. Updated "payment request" to "invoice". Updated "Concur" to "SAP Concur". Updated images.
January 29, 2019	Updated the copyright; no other changes; cover date not updated
April 11, 2018	Changed the check boxes on the front cover; no other changes; cover date not updated
February 15, 2018	Updated "Show Advanced Settings" text.
November 4, 2017	Updated guide to include new **Product Settings** page, which replaces the Setup Wizard.
July 8, 2017	Added information about the Central Receiver role.
March 18, 2017	Updated with menu option name change to access Setup Wizard.
December 13, 2016	Changed copyright and cover; no other content changes.
November 4, 2016	Added information about the SAP Concur feature.
April 27, 2016	Added information about the Multiple Purchase Order feature.
April 15, 2016	Updated with the Three-Way Matching feature.
November 20, 2015	Updated graphics to reflect newly styled step numbers.
March 13, 2015	New document.

NOTE: Multiple SAP Concur product versions and UI themes are available, so this content might contain images or procedures that do not precisely match your implementation. For example, when SAP Fiori UI themes are implemented, home page navigation is consolidated under the SAP Concur Home menu.

Purchase Order Matching

Section 1: Overview

Purchase Order (PO) Matching helps companies maintain control by identifying and resolving any matching exceptions before paying suppliers, such as limiting payment to the quoted price, terms, and quantity ordered.

Clients who create purchase orders in their financial system can import PO data to SAP Concur by using the PO Import. From there, clients can configure rules that help identify match exceptions, or enable straight-through processing in cases where invoices match.

Matching rules instruct the system how to react when a variance is detected between the invoice and the purchase order(s).

Rules serve to flag invoices that should not enter the workflow until unresolved (non-matching) issues are addressed, while allowing other associated invoices to continue if no issues are found.

SAP Concur offers two types of matching methods:

- **Two-Way Matching:** Matching between invoices and purchase orders (no receipt)
- **Three-Way Matching:** Matching between invoices and purchase orders and received quantities

The two-way matching verifies that purchase order and invoice information match whereas the three-way matching allows clients to match invoices with purchase orders and received quantities (of goods) before the invoices are processed and paid.

Required Roles

Only the Invoice Configuration administrator can access and configure the Purchase Order Matching Rules feature.

SAP Concur Receiving Roles

This table shows different roles and what users with these roles can and cannot do when working with the SAP Concur Receiving feature.

Role	What the User Can Do	Where?	Conditions
Purchasing Admin (who processes purchase orders)	Add, edit, and delete receipts and receipt images	In the transmitted purchase order	None.

Role	What the User Can Do	Where?	Conditions
Invoice Processor	Add, edit, and delete receipts and receipt images	In **Purchase Order** tab of Concur Invoice	None.
Purchase Request User	Add, edit, and delete receipts and receipt images	In the transmitted purchase order	None.
Payment Request User	Add, edit, and delete receipts and receipt images	In **Purchase Order** tab of Concur Invoice	None.
Central Receiver	Add, edit, and delete receipts and receipt images	In the transmitted purchase order	Cannot transmit or process purchase orders or invoices.

NOTE: For clients who import purchase orders on entities that do not have the Purchase Request feature enabled, a user who is assigned the Purchasing Admin role can see a list of imported purchase orders by navigating to the **Requests > All Purchase Orders** page.

Additional Roles

Invoice AP User: This role is used for sites that rely on back-office personnel to code their invoices and handle assignment and reassignment of invoices.

Invoice User: Can create, assign to an Invoice Owner, and submit invoices.

Invoice Purchasing User: Restricted from creation or submission of invoices, but is granted Modify access to selected fields; typically a specialist for updating invoices with incorrect totals, unit amounts, and similar.

Terminology

The following terms are used throughout this document and within Concur Invoice.

- **Concur Receiving:** The ability for users to add quantity receipt data manually in Concur Invoice.
- **Purchase Order Invoice:** An invoice associated with a PO by the unique number associated with the PO.
- **Life to Date:** The complete span of all invoices associated with their purchase order(s) (relevant for situations like partial shipments spanning multiple invoices).
- **Associate:** The relationship created when an invoice is linked to a PO by entering the unique PO number in the invoice header form.

- **Matching Rule:** Consists of the following:
  - An individual matching rule where a single purchase order is matched to a single invoice, or where multiple purchase orders are matched to a single invoice
  - A life-to-date matching rule where a single purchase order is matched to multiple invoices

Section 2: Workflow for Purchase Order-Based Invoices

The workflow reflects the approval process typically used with this method of pre-approved spends. All invoices go to the Invoice Owner for review. Once the Invoice Owner submits the invoice, if it is a purchase order invoice and has no blocking match exceptions, it will proceed straight through to the back office.

Section 3: Matching Rules for Purchase Orders

Matching rules instruct the system how to react when a variance is detected between, as a simple example, the unit price on the invoice compared to the unit price on the PO.

Clients might have a mix of different matching needs and combine the two-way matching and three-way matching according to their use of Concur Invoice. To accommodate multiple matching needs, clients can set up multiple rule groups to instruct Concur Invoice to use the appropriate matching logic for each invoice/purchase order combination.

There are two types of matching rules that you can use:

- **Individual:** These rules include a one-to-one comparison between the current invoice and the PO. They are run based on the choice of header, line item, and/or vendor level for comparisons such as Unit Price to Unit Price
- **Life to Date:** This rule is a one-to-many comparison between all associated invoices and the PO. They are run based on cumulative total of all invoices with the same PO number, for example, comparing the cumulative total of invoice Quantity(s) to the approved PO Quantity. This is especially useful in partial shipment scenarios.

These rules are configured on the **Purchase Order Matching** page of Product Settings.

Use Purchase Order Matching Rules to:

- Alert users that invoices associated with a PO include amounts and values that fall outside those of the PO.
- Set the tolerance the system will use when identifying non-matching invoice quantities and amounts.
- Provide an exception message with explanatory text for the user.

- Specify whether the exception will block submission until resolved, or only create a warning.

For more information about configuring the purchase order matching rules, refer to *Step 2: Configure Purchase Order Matching Rules* section in this document.

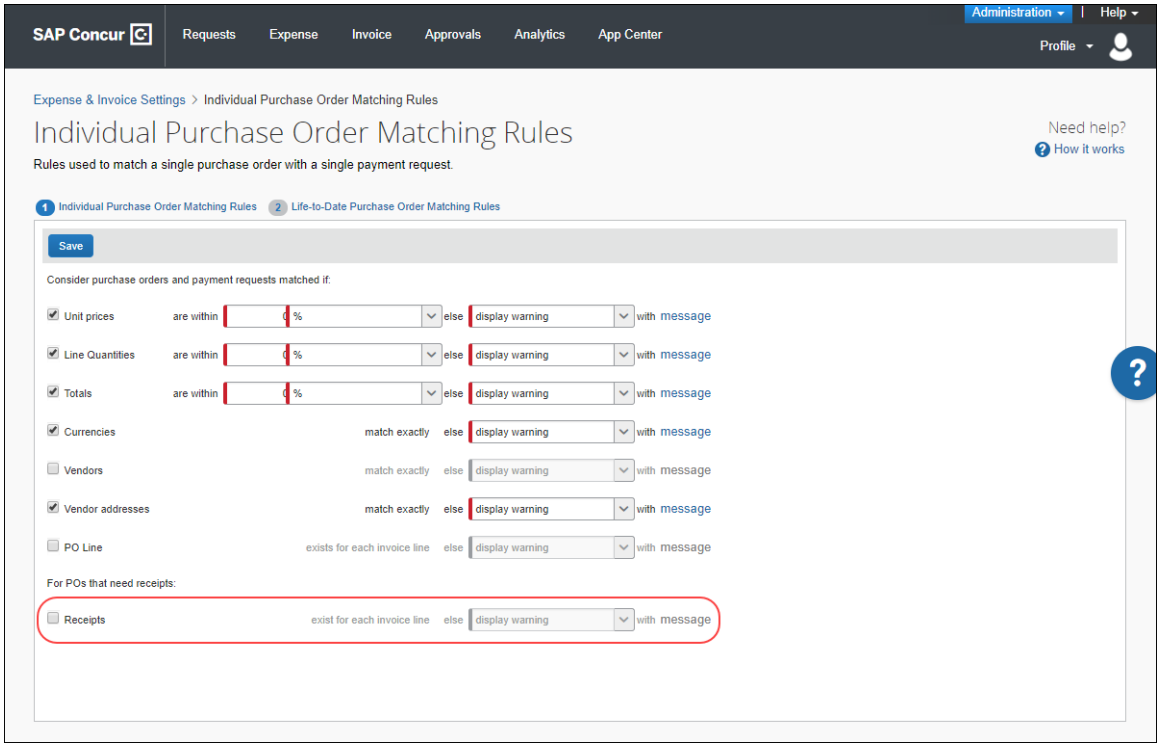
Three-Way Matching Rules

With three-way matching, two PO matching rules are available. SAP Concur recommends that clients use both rules to get the most out of this feature.

Receipts Rule

The Receipts rule is an Individual Purchase Order Matching rule that checks if receipts exist for invoice line items. If the line item does not have a receipt associated with it (but is associated to a purchase order line), then the clients will be able to see an exception rule on the **Payment Request List** page.

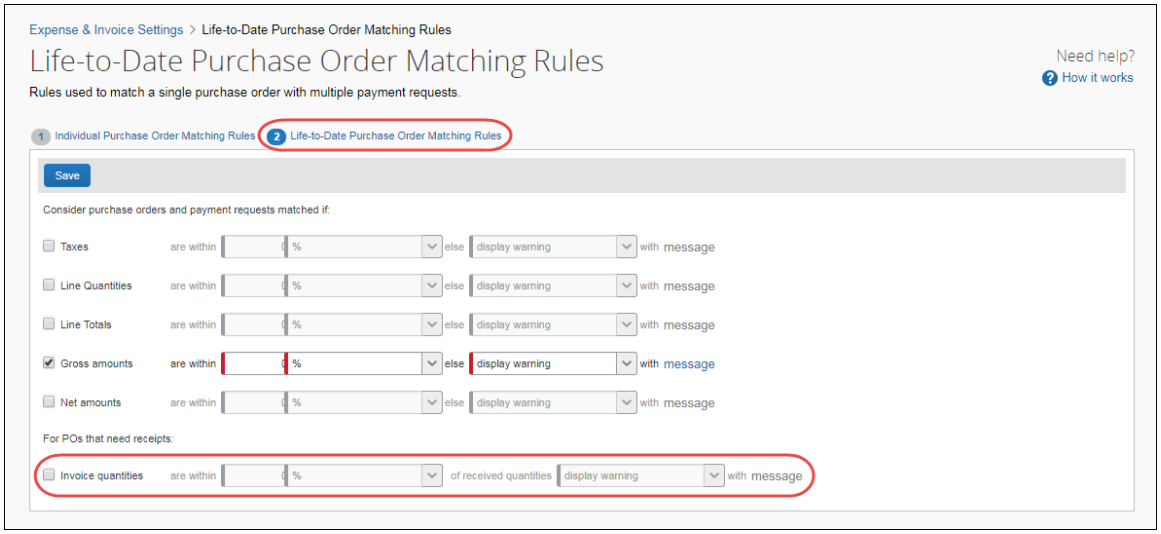
The rule can be set up as a warning or prevent submission if at least one receipt is not associated to the POs that need receipts. This rule is cleared (disabled) by default.



Compare Invoiced Quantities and Received Quantities Rule

The Invoice Quantities rule is a Life-To-Date rule that compares the total quantities invoiced (based on quantities matched) against the total quantities on the associated receipts.

The rule can be set up as a warning or prevent submission if invoiced quantities for all invoice line items associated with that receipt is more than configured number or percentage over received quantity of associated receipts. This rule is cleared (disabled) by default.



Example 1

Let us assume that we have the following:

PO

Line 1: Ordered Quantity is 30

Receipts

GRN#1: Received Quantity is 20

Invoices

Invoice 1: Line 1 quantity is 10

Invoice 2: Line 1 quantity is 10

Invoice 3: Line 1 quantity is 10

The system will associate Invoice 1: Line 1 and Invoice 2: Line 1 to GRN #1. The system will not associate Invoice 3: Line 1 to a receipt, as there are no available receipts to associate for this invoice. However, if a user associates Invoice 3: Line 1 to GRN#1, the Life-to-Date rule will fire and throw an exception on all three invoices.

Example 2

Let us assume that we have the following:

PO

Line 1: Ordered Quantity is 30

Receipts

GRN#1: Received Quantity is 20

Invoices

Invoice 1: Line 1 quantity is 30

The system will associate Invoice 1: Line 1 to GRN #1. The Life-to-Date rule will fire and throw an exception on Invoice 1: Line 1, because the receipt quantity is less than the Invoice quantity.

Receipt Association

Concur Invoice will automatically try to associate incoming invoice line to available receipts on the associated PO lines by using the following logic:

- For invoices where there is not a specified Delivery Slip Number, Concur Invoice will associate invoice lines to available receipts in a sequential order, filling each invoice line with available quantities from GRN #1, GRN #2, and so on.
- For invoices where the client has specified the Delivery Slip Number, Concur Invoice will associate it to the GRN that has the same DSN. If Concur Invoice does not find a GRN with the same DSN, it will revert to the sequential association logic.

Section 4: Custom Fields for Purchase Orders

There are no specific configurations for purchase order custom fields. The custom fields that the client has configured for invoices also apply to purchase orders.

For more information about custom fields, refer to the *Shared: Custom Fields Setup Guide*.

Section 5: PO Import

Purchase orders are imported into Concur Invoice via FTP or Web Service.

The PO Import file has a field, **Receipt Type**, which can be used to indicate the type of receipt the PO expects. This indicator, while not required for setting up matching, can be useful in situations where clients have a mix of POs that expect different

types of receipts and where clients want to set up different matching rules accordingly. The **Receipt Type** field is optional and can have the following values:

- 0 (Default; No receipt; two-way matching)
- 2 (Received Quantity; three-way matching)

For more information, refer to the *Invoice: Import and Extract File Specifications - Purchase Order Import* document.

Quantity Receipt Import for Three–Way Matching

Before clients can start to use the Three-Way Matching feature, they need to import the Quantity Receipt file, which they can do through an FTP import, through the API, or by entering receipt data using Concur Receiving. The receipt information that clients import into Concur Invoice enables the system to associate and validate incoming invoice lines. The associated receipt information is then available for extract through the Payment Request Accounting Extract.

The Quantity Receipt file contains the following information:

Field	Description	Required
Goods Receipt Note (GRN)	GRN is a document created by the buyer to acknowledge the receipt of items. The buyer can issue a single GRN note for a delivery that spans multiple lines of a PO.	Y
PO Number and PO Line Number	This is the purchase order number and the purchase order line number.	Y
Quantity Received	This shows the incremental quantity that has been received.	Y
Unit of Measure	Describes the unit in which the received quantity is measured, for example, Items, Pieces, and Tons. Defaults to PO line Unit of Measure if not provided by buyer.	N
Date and Time of Receipt	This is the date and time the receipt was received.	Y
Delivery Slip Number (DSN)	This is the supplier's reference number for this specific delivery of items.	N
Custom fields	These are custom fields that the clients can use to customize their import needs.	N

For more information, refer to the *Invoice: Import and Extract File Specifications - Purchase Order Receipt Import Version 2 (Quantity Receipt for Three-Way Match)* document.

Section 6: Purchase Order Matching Configuration

Use this section to enable and configure the Purchase Order Matching feature.

The Basic Process

Implementing this feature requires some basic preparation and configuration prior to start using the feature. The client and SAP Concur will perform the following actions to configure and activate the feature:

- **SAP Concur enables the Purchase Order Matching feature:** SAP Concur enables the feature in an SAP Concur internal tool.
- **Client configures purchase order matching:** Once the feature is available in Concur Invoice, the client:
  - **Add a ship-to address**: The client administrator must enter a ship-to address on **Invoice** > **Company Locations** page of Product Settings
  - **Configure the purchase order matching rules:** The client administrator configures the matching rules for purchase orders and invoices
  - **Assign the Purchasing Admin role:** The client administrator assigns this role for each user on the **Invoice** > **Users** page in Product Settings

Configuration/Activation

The following steps describe how to enable and configure the Purchase Order Matching feature and how to assign user roles.

Step 1: Enable the Purchase Order Matching Feature

The Concur Admin enables the Purchase Order Matching feature in an SAP Concur internal tool.

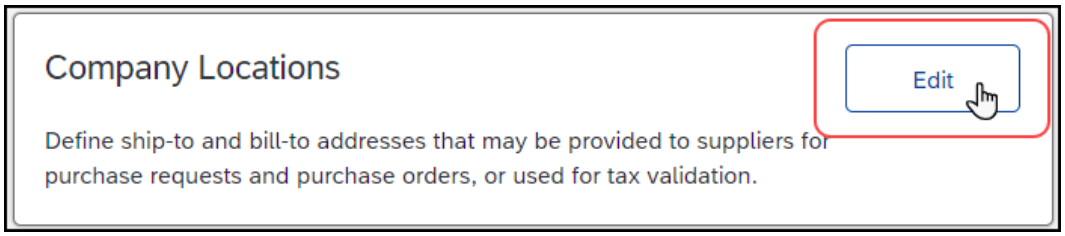
Step 2: Add and Manage Ship-to Addresses

To ensure that the supplier knows where to ship the goods or services, the administrator needs to enter a *Ship To* value on the **Company Locations** page of Product Settings. The ship-to address can be changed or deleted. If you delete a ship-to address, you only "soft delete" the record, which means that the address is still available to those invoices that are currently using it.

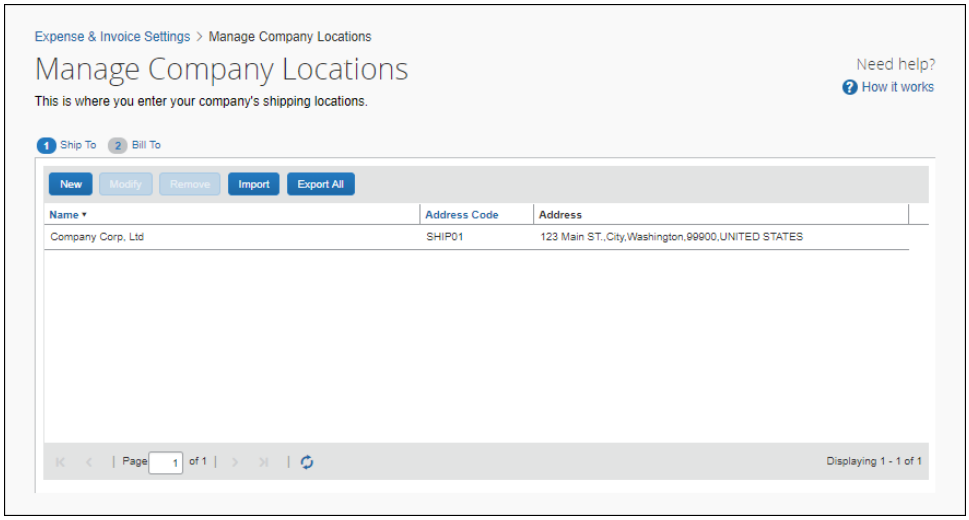
To access company locations:

1. Click **Administration > Invoice Settings** or **Expense & Invoice Settings**.
2. In the **Product** list, click *Invoice*.

3. In the **Capturing Spend** section, on the **Company Locations** tile, click **Edit**.

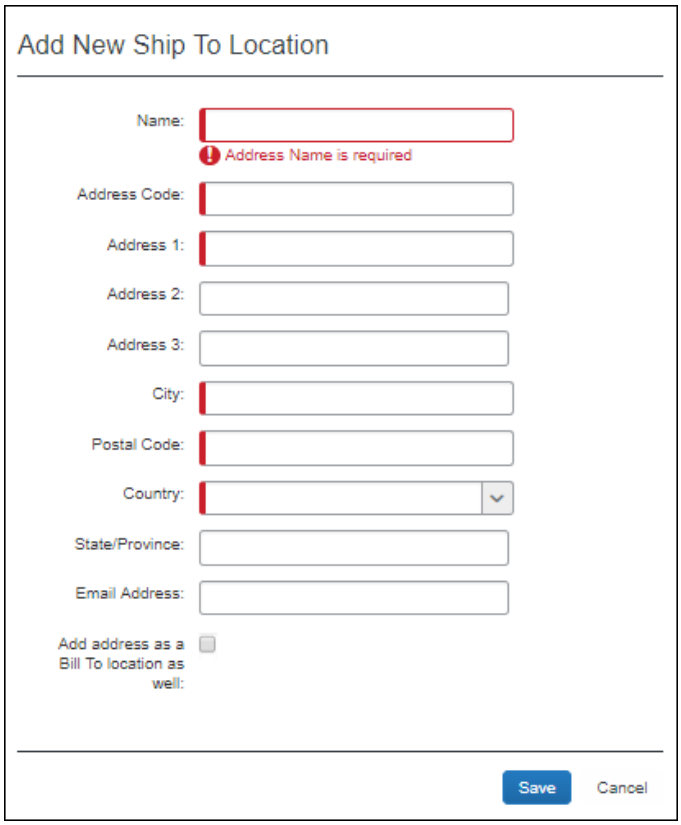


The **Manage Company Locations** page appears.



To add a ship-to address:

1. On the **Manage Company Locations** page, click **New**. The **Add New Ship To Location** window appears.



2. Complete the appropriate fields.

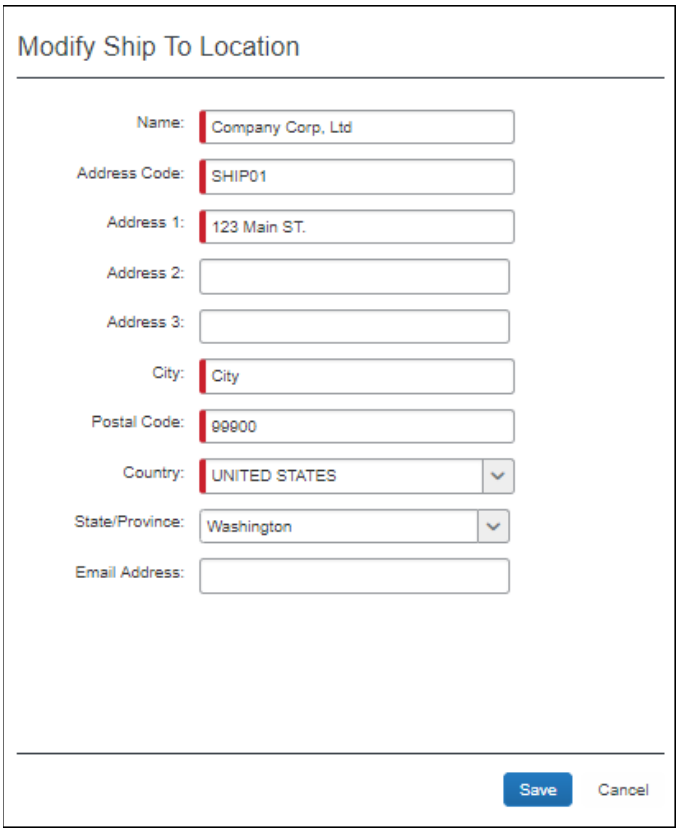
Field	Description/Comments
Name (*Required*)	A unique name that identifies a particular address. **TIP:** The system searches for your location using the *Name* value. Ensure that you type in the *name* of the location whenever you are asked for a Bill To or Ship To address that you created by using **Company Locations**.
Address Code (*Required*)	This is the external identifier used by the customer's financial system to identify a particular address.
Address 1 (*Required*)	Address 1 of the complete address.
Address 2 (*Optional*)	Address 2 of the complete address.
Address 3 (*Optional*)	Address 3 of the complete address.

Field	Description/Comments
City (*Required*)	The city within which the address resides.
Postal Code (*Required*)	The postal code of the address.
Country Code (*Required*)	The code of the country associated with the address.
State/Province	The state or province within which the address resides.
Email Address	The email address associated with the company.

3. Click **Save** to enter the new address into Concur Invoice. Each new address appears as a row on the **Manage Company Locations** page.

To edit a ship-to address:

1. On the **Manage Company Locations** page, select the address and click **Modify**, or double-click the address directly. The **Modify Ship To Location** window appears.

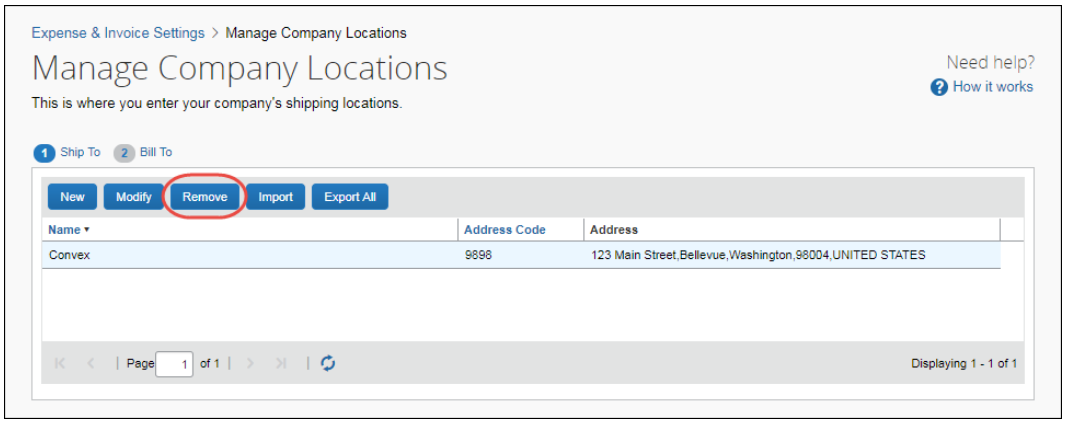


2. Edit the existing values as needed to update the address (refer to the table under *To add a ship-to address* procedure for information about the fields.)

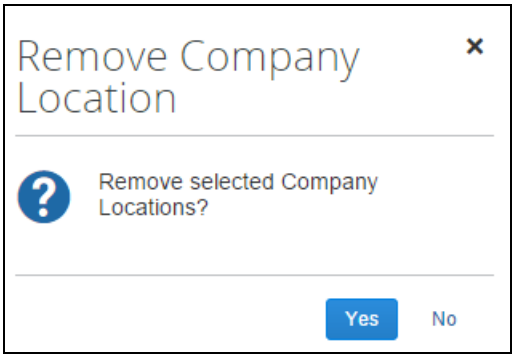
3. Click **Save**.

To delete a ship-to address:

1. On the **Manage Company Locations** page, select the address you want to delete and then click **Remove**.



2. In the **Remove Company Location** window that appears, click **Yes**.



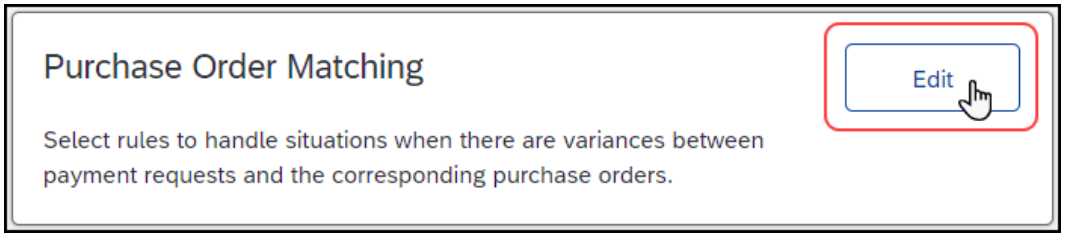
The address will be removed from the **Manage Company Locations** page.

Step 3: Configure Purchase Order Matching Rules

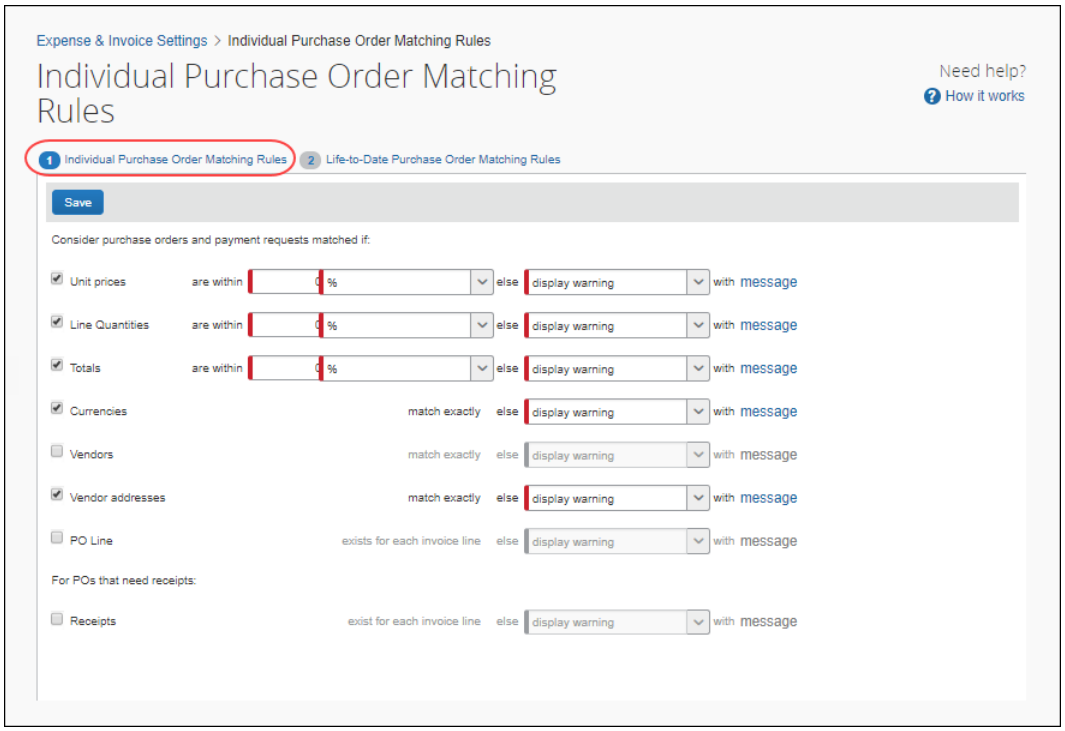
Once SAP Concur has enabled the feature, the client admin can see and access the **Purchase Order Matching** page in Product Settings to configure matching rules for purchase orders and invoices.

To configure individual purchase order matching rules:

1. Click **Administration > Invoice Settings** or **Expense & Invoice Settings**.
2. In the **Product** list, click *Invoice*.
3. In the **Capturing Spend** section, on the **Purchase Order Matching** tile, click **Edit**.



The **Individual Purchase Order Matching Rules** page appears.



4. Complete the appropriate fields.

Rule	Description
Unit prices (Line Item)	For each associated line item, compares the purchase order unit price to the invoice unit price.
Line Quantities (Line Item)	For each associated line item, compares the purchase order quantity to the invoice quantity.

Rule	Description
Totals (Header Item)	Compares the purchase order total to the invoice total.
Currencies (Header Item)	Compares the purchase order currency to the currency of the invoice.
Vendors	Compares the purchase order vendor to the invoice vendor.
Vendor addresses	Compares the purchase order vendor address to the invoice vendor address.

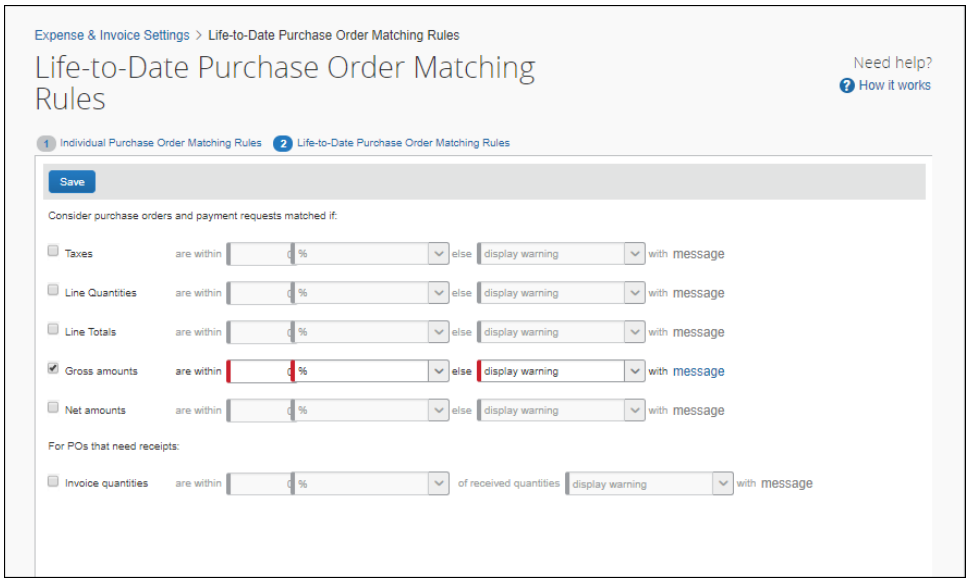
5. Where applicable, select one of the following tolerance options for each rule that you want to include:
   - **Percentage:** Choose a percentage above which the rule will trigger a flag. For example, if the percentage is 1 and the PO amount is 1000, invoices above 1010 will trigger the exception.
   - **Units:** Specify a number at or above that at which the rule will trigger an exception. For example, if the unit is 100 and the PO amount is 1000, invoice(s) at or above 1100 will trigger the exception.
   - **Currency:** Choose the base currency your company uses. The system will calculate and apply conversions for alternate currencies used on incoming invoices automatically.

NOTE: Specifying tolerances is not relevant for currencies, vendors, and vendor addresses.

6. Select if you want to display a warning or prevent submission of the purchase order if there is not a match between the purchase order and the invoice.
7. Click **message** to specify an exception text that will be displayed to the user.
8. Click **Save**.

To configure life-to-date purchase order matching rules:

1. On the **Individual Purchase Order Matching Rules** page, click **Life-to-Date Purchase Order Matching Rules**.



2. Complete the appropriate fields.

Rule	Description
Taxes	For each associated line item, compares the purchase order tax to the cumulative taxes of all invoices sharing this purchase order number.
Line Quantities	For each associated line item, compares the purchase order quantity to the cumulative quantities of all invoices sharing this purchase order number.
Line Totals	For each associated line item, compares the purchase order line item total to the cumulative line item totals of all invoices sharing this purchase order number.
Gross amounts	Compares the purchase order gross amount to the cumulative gross amounts of all invoices sharing this purchase order number.
Net amounts	Compares the purchase order net amount to the cumulative net amounts of all invoices sharing this purchase order number.
Invoice quantities	For Pos that need receipts: Compares the total quantities invoiced (based on quantities matched) against the total quantities on the associated receipts.

3. Select one of the following options for each rule that you want to include:
   - **Percentage:** Choose a percent above which the rule set will trigger a flag. For example, if the percentage is 1 and the PO amount is 1000, invoices above 1010 will trigger the exception.

- **Units:** Specify a number at or above that at which the rule set will trigger an exception. For example, if the unit is 100 and the PO amount is 1000, invoice(s) at or above 1100 will trigger the exception.
- **Currency:** Choose the base currency your company uses. Conversions for alternate currencies used on incoming invoices will be calculated and applied by the system automatically.

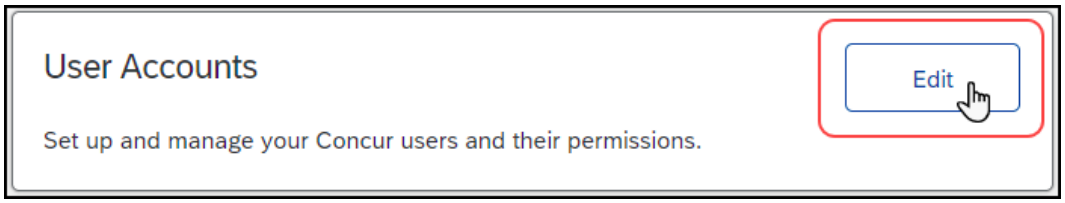
4. Select if you want to display a warning or prevent submission of the purchase order if there is not a match.
5. Click **message** to view or modify the exception text that will be displayed to the user.
6. Click **Save**.

Step 4: Assign the Purchasing Admin Role

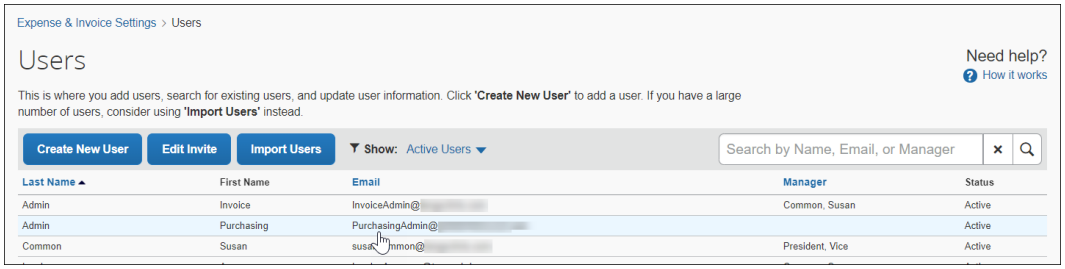
On the **Users** page of Product Settings, the client admin can select (enable) the Purchasing Admin role. The user with this role can access the PO Processor tool to search on and view all purchase orders in the system.

To assign the Purchasing Admin role:

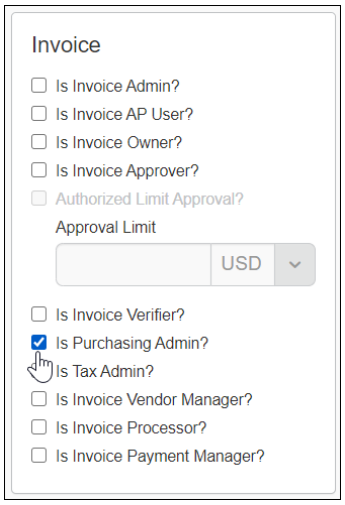
1. Click **Administration > Invoice Settings** or **Expense & Invoice Settings**.
2. In the **Product** list, click *Invoice*.
3. In the **Access To Concur** section, on the **User Accounts** tile, click **Edit**.



4. On the **Users** page, double-click the user you want to assign the role to.



5. In the **User Permissions** section, under **Invoice**, select **Is Purchasing Admin?**, and then click **Save**.

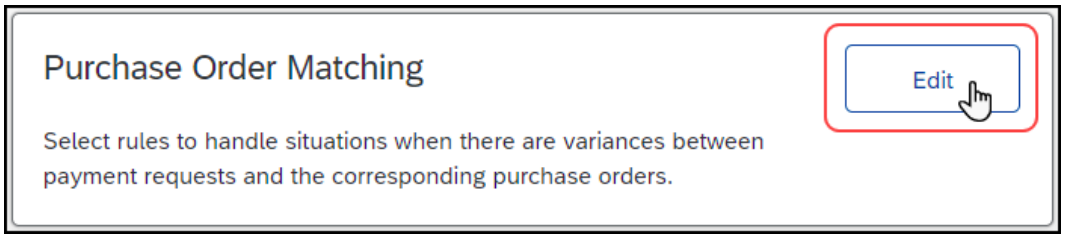


Configure Three-Way Matching

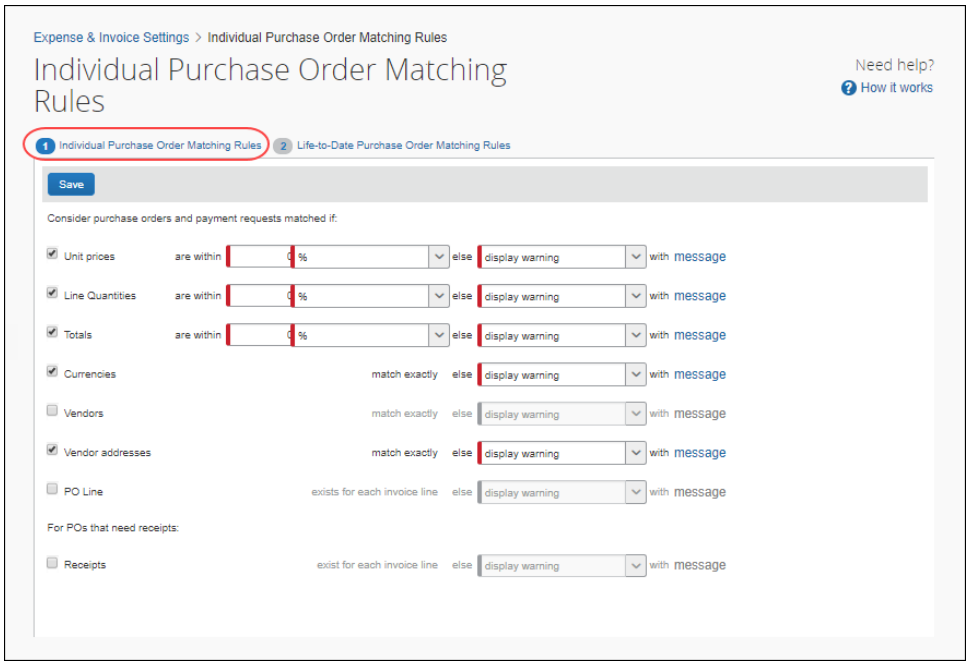
Before the admin can start to configure three-way matching, the client needs to import the Quantity Receipt file, which they can do through an FTP import or through the API.

To add purchase order three-way matching rules:

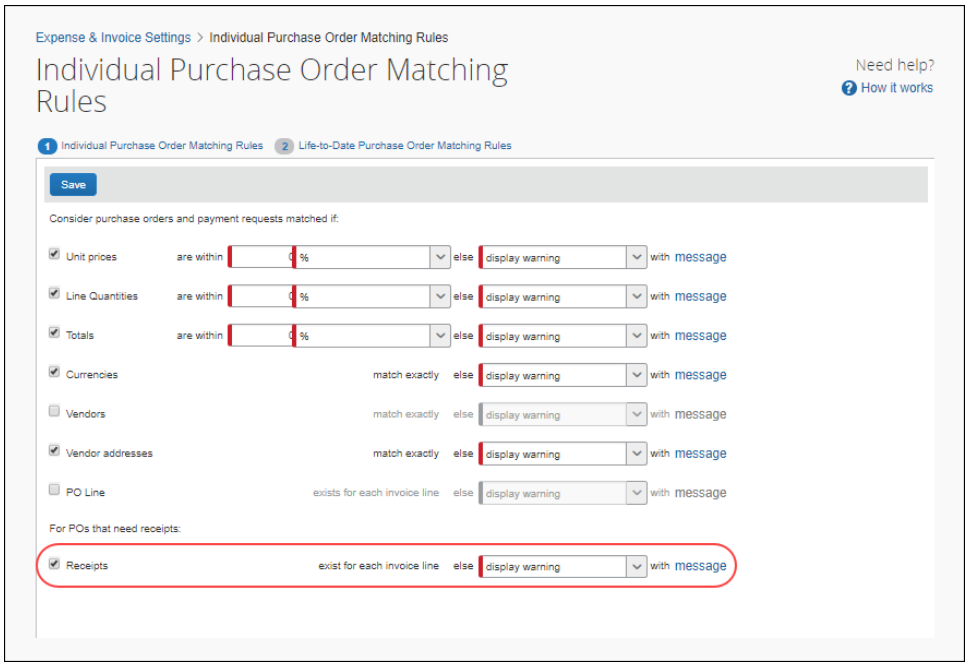
1. Click **Administration > Invoice Settings** or **Expense & Invoice Settings**.
2. In the **Product** list, click *Invoice*.
3. In the **Capturing Spend** section, on the **Purchase Order Matching** tile, click **Edit**.



The **Individual Purchase Order Matching Rules** page appears.



4. On the **Individual Purchase Order Matching Rules** page, select (enable) the **Receipts** check box.



5. (Optional) You can also set an exception message and allow or disallow submission of the invoice using the list to the right of the rule.
   - Exception Message: Select *Display warning* in the list and add a message by clicking **with message**.
   - Prevent Submission: Select *prevent submission* in the list to disallow submission and processing of the invoice.
6. On the **Life-to-Date Purchase Order Matching Rules** page, select (enable) **Invoice Quantities** and then specify if the quantity is within a certain amount or percentage.
   - Value: Specify a number *at or above* that at which the rule set will trigger an exception. For example, if the *Value* is 100 and the *Quantity Received* on this PO line is 1000, invoice(s) *at or above* 1100 will trigger the exception.
   - Percentage: Choose a percent *above* which the rule set will trigger a flag. For example, if the *Percentage* is 1 and the *Quantity Received* is 1000, invoice(s) above 1010 will trigger the exception.
7. (Optional) You can also set an exception message and allow or disallow submission of the invoice using the list to the right of the rule.
   - Exception Message: Select *Display warning* in the list add a message by clicking **with message**.
   - Prevent Submission: Select *prevent submission* in the list to disallow submission and processing of the invoice.

NOTE: SAP Concur recommends that clients include all other rules that they typically use in any matching situation, such as unit price and vendor.

📖 For more information, refer to the *Concur Invoice: Purchase Order Receipt Import Specification* and the *Concur Invoice: Purchase Order Matching User Guide for Standard Edition*.

Configure Concur Receiving

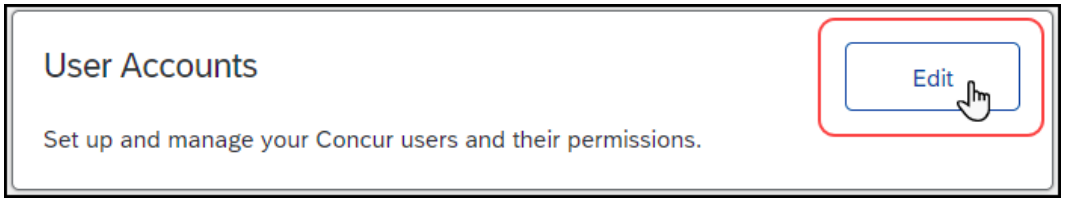
In Concur Invoice, users can add quantity receipt data manually. This is beneficial for clients who can receive receipts in Concur Invoice and use three-way matching to give them more control over their invoice process.

Before users can start working with and managing their receipts in Concur Invoice, SAP Concur staff must activate the Receiving feature in an internal-only tool. Contact SAP Concur support to activate this feature.

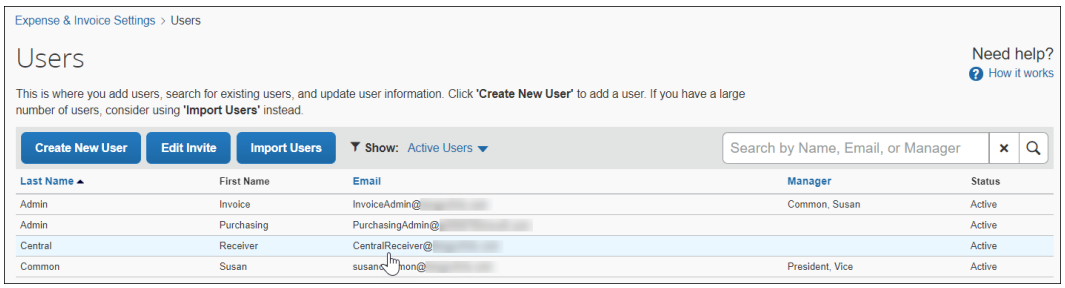
Once the Concur Receiving feature has been activated, the client admin can add the Central Receiver permission role for users who, for example, receive goods for their company and need to be able to enter, update, and delete receipt data without having the ability to transmit and process purchase orders or invoices.

To assign the Central Receiver role to a user:

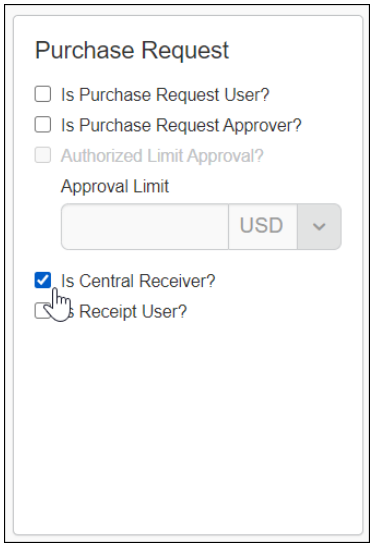
1. Click **Administration > Invoice Settings** or **Expense & Invoice Settings**.
2. In the **Product** list, click *Invoice*.
3. In the **Access To Concur** section, on the **User Accounts** tile, click **Edit**.



4. On the **Users** page, double-click the user you want to assign the role to.



5. In the **User Permissions** section, under **Purchase** Request, select **Is Central Receiver?** and then click **Save**.



For more information, refer to the *Concur Invoice: Purchase Order Matching User Guide for Standard Edition*.