

ERS

EVALUATED RECEIPT SETTLEMENT

A BRIEF EXPLANATION ON THE HANDLING OF ERS

ACCOUNTS PAYABLE – NORTH AMERICA

Evaluated Receipt Settlement (ERS) Overview

Abbreviations

[3](#)

ERS process in a nutshell

[4](#)

What is ERS and what are the benefits

[5](#)

How the process looks and what are the requirements

[6](#)

Troubleshooting

[10](#)

Difference between ERS and SBI

[12](#)

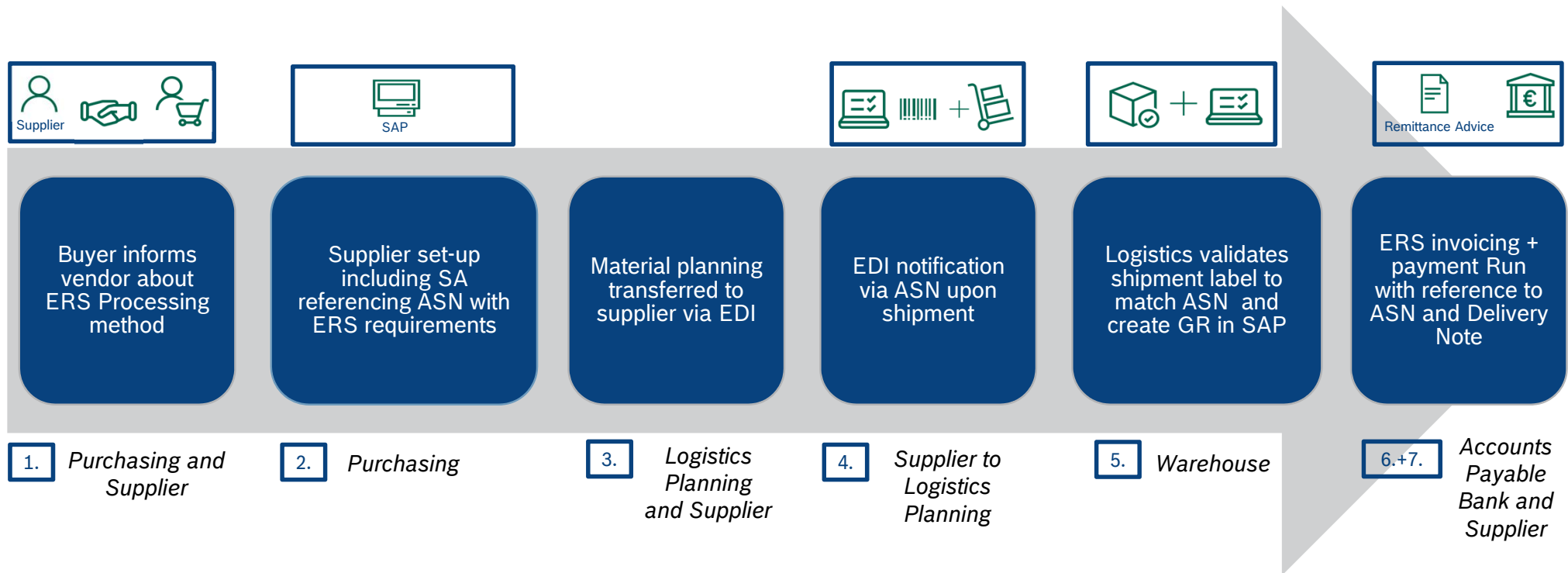
Evaluated Receipt Settlement (ERS) = Automatische Wareneingangsabrechnung

Abbreviations

Abbreviations	English	Deutsch
ERS	Evaluated Receipt settlement	Automatische Wareneingangsabrechnung
SBI	Self-billing invoice	Gutschriftsanzeigeverfahren
SA/PO	Schedule Agreement/Purchase order	Lieferplan/Bestellung
NA/CA/MX	North America/Canada/Mexico	Nord Amerika/Kanada/Mexican
ASN	Advance shipping Notification	Advance shipping Notification
GR	Goods Receipt	Wareneingang
EDI	Electronic Data Interchange	Elektronische Daten Übermittlung

Evaluated Receipt Settlement (ERS) – NA/CA/MX

ERS process in a nutshell



SA = Scheduling Agreement, ASN = Advanced Shipping Notice, GR = Goods receipt, EDI = Electronic data interchange

Evaluated Receipt Settlement (ERS) – NA/CA/MX

What is ERS and what are the benefits

1. ERS stands for **E**valuated **R**eceipt **S**ettlement. In German: Automat. Wareneingangsabrechnung
2. ERS is a process designed to eliminate the need for a supplier to provide a paper copy of an invoice to the customer
3. ERS payments are calculated based on the goods receipt date and the quantity in the customer's receipt record, using the price on the contract, purchase order or scheduling agreement
4. Avoidance of payment delays caused by mismatches of invoice data and purchasing data
5. Elimination of lost invoice condition and resultant payment delay
6. Reduced clerical requirements
7. Improved cycle time

Evaluated Receipt Settlement (ERS) – NA/CA/MX

How the process looks and what are the requirements 1/4

1. The buyer discusses with the supplier the benefits of ERS for both parties. The supplier agrees with the buyer on a start date, and from that point on, all the supplier deliveries to all plants in North America will be on ERS per the agreement. The supplier must sign an EDI (=Electronic Data Interchange) and an ASN (= Advance Ship Notice) contract.

The ASN will provide Bosch with shipping-related information prior to their receiving a shipment. This way, Bosch knows exactly what they are going to receive and when, and can plan accordingly.
2. The buyer sets Scheduling Agreements (SA) or Purchase Agreements in SAP as ERS, and informs supplier to no longer send paper invoices to Bosch, as ERS replaces the supplier invoicing process and the invoice verification process at Bosch. There is no need of a Self-billing agreement for deliveries to NA/CA/MX.
3. **Supplier receives Scheduling Agreement/Purchase Order** from Bosch via EDI.

Evaluated Receipt Settlement (ERS) – NA/CA/MX

How the process looks and what are the requirements 2/4

4.

Supplier sends **ASN** to Bosch **Logistics via EDI** to allow automatic posting of shipment details. Refer to the below manuals, when further questions arise on ASN :

- a. SupplyOn manual, when ASN is sent as Web-EDI Idoc. (Link)
- b. BBM ASN manual, when ASN is sent as classic EDI Idoc without Supplyon (Link)

Supplier sends in parallel the goods to the respective **Bosch Plant Logistics Center**

An ASN must be sent to Bosch for every delivery made by supplier. Else the creation of GR would be delayed and thereby payment. If it is not possible to send an ASN automatically, there is a possibility to send ASN manually via SupplyOn. Refer to the SupplyOn manual for detailed information. The delivery note/packing slip must include the following information specially when ASN is not sent:

- Packing slip number
- Valid Purchase Order number
- Accurate quantity
- Valid Bosch part number
- Unit of measure
- Purchase Order line number

Evaluated Receipt Settlement (ERS) – NA/CA/MX

How the process looks and what are the requirements 3/4

5.

Logistics validates shipment label to match ASN and creates Goods Receipt in SAP system. Each item Bosch receives that is identified as ERS in our system will automatically generate an internal invoice document using the price from the scheduling agreement or purchase order and the quantity received. (A special report for deliveries settled via ERS can be forwarded to the supplier upon request, this report can be used to reconcile AR by the supplier and note the payment term start date).

6.

Bosch system runs an automatic program daily and these internal invoices are picked up where they are converted into checks or ACH payments that the Supplier receives on the payment due date as specified by the payment terms in the contract. Please note: Due date for payment always begin from the Goods Receipt Date/Internal Invoice date of Bosch (after physical arrival of Goods). Supplier can access the start date by receiving the above mentioned report that is generated daily as outlined in item 5.

Evaluated Receipt Settlement (ERS) – NA/CA/MX

How the process looks and what are the requirements 4/4

7.

Payment remittance information is sent via email. Each remittance advice/payment is accompanied by a detailed overview **where the reference number included will be the packing slip/delivery note number that was provided on your ASN. No invoice number is provided.** This information should be used by the supplier to reconcile payments and receivables.

When additional information to the payments received are needed, the below report might be requested, usually set up as a monthly job at the time of onboarding in to ERS.

ERS settlement report can be requested by contacting AP Helpdesk using www.gsaintouch.com - this can be used to clarify any potential discrepancies, and will include detail as shown in the example below

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	Plant	Invoicing Pty	Document	Posting Date	Reference	Item	Purchasing Doc.	Item	Vendor	Amount f.curr.	Currency	Material Doc.	Mat. Doc.	Delivery note	Mat. Doc.	Material	Quantity	Order Unit
2	4400	33462	887976	10/22/2020	80390276	1	80390276	1	33462	2,000.00 USD		80390276	2020	80390276		1 TR18 277 122	1,000	PC
3	4400	33462	887976	10/22/2020	80390276	1	80390276	1	33462	2,000.00 USD		80390276	2020	80390276		1 TR18 277 823	1,000	PC
4	4400	33462	887976	10/22/2020	80390282	1	80390282	1	33462	10,000.00 USD		80390282	2020	80390282		1 TR18 277 436	2,000	PC

Evaluated Receipt Settlement (ERS) – NA/CA/MX

Troubleshooting 1/2

- Inquiries regarding status of payments should be submitted using www.gsaintouch.com
 - Answer “yes” to question “Are you a self billing supplier* ” for proper routing of inquiry
 - Please include Scheduling/PO number and delivery note / packing slip, and/or invoices copies which include these details
- **If amount paid** (or detail on settlement report) **differs from amount of your receivable**: Please contact the following:
 - **Price discrepancies** – please contact your buyer/purchasing representative
 - If a price change occurred and was agreed to by Bosch the buyer needs to update its price to the new contract price, once this is done purchasing will request a revaluation to be run which will post and pay the balance due
- **Quantity discrepancies**, including missing invoices/payments – please send the following information Invoice, packing slip / delivery note number and Proof of Delivery for each inquiry and submit to it to Bosch www.gsaintouch.com
 - Answer “yes” to question “Are you a self billing supplier* ” for proper routing of inquiry
 - *Self-billing supplier → Here means an ERS (Evaluated receipt settlement) supplier

Evaluated Receipt Settlement (ERS) – NA/CA/MX

Troubleshooting 2/2

- If applicable, any special charges not included in the material price (for example: pallets, surcharges, set-up charges), supplier should send one monthly or quarterly invoice.
 - Always remember to send an invoice for special charges (not metal conditions) for getting paid for such additional special charges
 - There will be a separate purchase order (PO) for special charges created by purchasing, always mention the relevant purchase order number on the invoice
 - Note that these invoices need to be sent to the bill-to address referenced on PO
 - First point of contact for clarification on such special charges is “Purchasing”
- If you require a report of what was received at a plant in any given month please request this via www.gsaintouch.com
 - Answer “yes” to question “Are you a self billing supplier* ” for proper routing of inquiry
 - *Self-billing supplier → Here means an ERS (Evaluated receipt settlement) supplier

Evaluated Receipt Settlement (ERS) = Automatische Wareneingangsabrechnung

Difference between ERS and SBI

- **ERS** is a **process** in SAP and **SBI** is a **functionality** in SAP used for ERS
- ERS **without** Self billing - Supplier will not receive a credit/debit note (no SBI sent), when Bosch in NA/CA/MX countries have ERS with suppliers
- ERS **with** Self billing - Supplier will receive a credit/debit note when Bosch in European countries have ERS with suppliers
- There should be a written and signed contract for self-billing between Bosch and the supplier. This gives Bosch the right to create credit memos instead of receiving an invoice from supplier
- **SBI** is **not used** in NA/CA/MX because it is not a legal requirement
- **SBI** with ERS is **only allowed** predominantly in European countries, where Bosch and supplier are located in same customs union/jurisdiction. However there are few exceptions.