

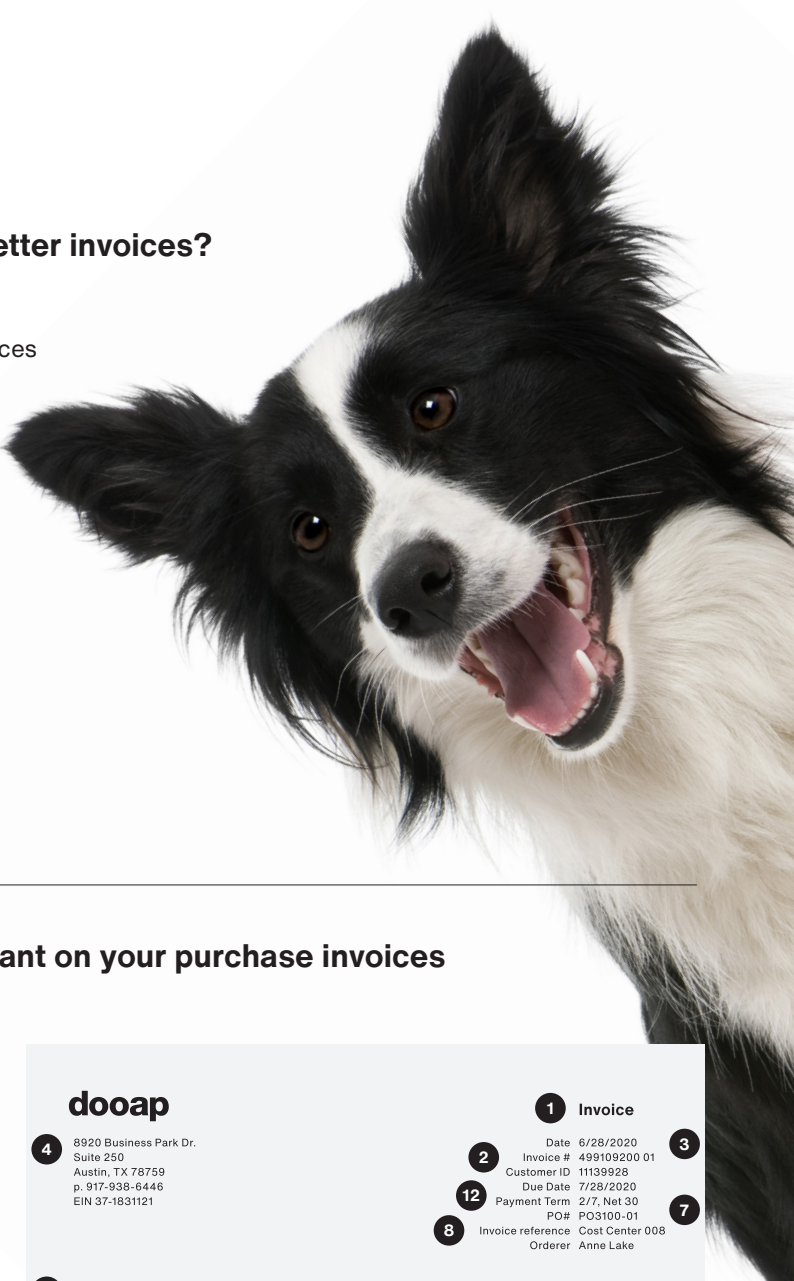
### Why should we demand our vendors to send better invoices?

Because it is in every organization's best interest. Better invoices with all the needed information:

- enable automation, which in turn reduces your handling costs.
- guarantee a smooth, end-to-end procure-to-pay process.
- enable transparency.
- reduce the risk of invoice fraud.
- improve the quality of your financial statements when invoices are accounted and posted correctly.

### Let your vendors know what information you want on your purchase invoices

1. The word Invoice (or Credit invoice);
2. A unique Invoice number
3. Date of the invoice
4. Supplier name and contact details  
Company identifier details of the seller, if relevant (e.g. DUNS, EIN, ABN, VAT Number)
5. Buyer company name and possible other parties (Buyer, Receiver, Payer)
6. Delivery date of the goods or the service
7. Purchase-order number (or similar tracking numbers requested by the buyer to be mentioned on the invoice) and possible packing slip numbers
8. Other references e.g. cost center, contract number or contact reference
9. Description of the products
10. Unit prices of the products and quantity, tax information if applicable
11. Total amount charged  
with currency (symbol or abbreviation);
12. Payment/Credit terms (Due date, possible cash discounts and details about charges for late payments)
13. Payment details or how to pay the invoice (Information for making an electronic transfer and possible reference number or other payment information including acceptable methods of payment)



**dooap**  
 8920 Business Park Dr.  
 Suite 250  
 Austin, TX 78759  
 p. 917-938-6446  
 EIN 37-1831121

**1 Invoice**  
 Date 6/28/2020  
 Invoice # 499109200 01  
 Customer ID 11139928  
 Due Date 7/28/2020  
 Payment Term 2/7, Net 30  
 PO# PO3100-01  
 Invoice reference Cost Center 008  
 Orderer Anne Lake

**5 Bill to**  
 Alex Smith  
 Dooap Inc.  
 8920 Business Park Dr.  
 Suite 250  
 Austin, TX 78759

**9 Description**

	Unit price	Quantity	Taxed	Amount
Service Fee	122.00	1		122.00
Labor: 5 hours at \$75/hr	75.00	5		375.00
Parts	10.00	10	x	100.00

**6** Delivery Date: 27th of June, 2020

Subtotal \$ 597.00  
 Taxable 100.00  
 Tax rate 6.250%  
 Tax due 6.25  
 Other -  
**Total \$ 603.25**

**13 Other Comments**  
 1. Total payment due in 30 days, Cash Discount -3% when paid in 7 days.  
 2. Please include the invoice number on your payment.  
 3. Bank details:  
 Company Name: Dooap Inc.  
 Bank Name: First Financial Bank  
 Address: 300 N. Meridian St. Ste 1100 Indianapolis, IN 46204-1736  
 Routing No. (for Domestic wire): 021000021; Account No.: 5312630790  
 If you have any questions about invoice, please contact Elisabeth Cooper, 778-553-2456  
 Thank You For Your Business!

## More specifically – how?



1. Having the word “Invoice” clearly stated helps to distinguish receipts, account statements etc. from invoices and you are not wasting time on scanning something that is not needed.
2. A Unique Invoice number should be a minimum requirement. This is the key for not having duplicate invoices. Some utility companies or rent invoices don’t have an invoice number, so make sure you have a clear protocol on how to set the invoice number if it is missing. E.g. typing the month/year always in the same format. This way no duplicates happen.
3. Date of the invoice is an important search criteria when getting vendor calls on invoices. Vendor invoice date can also be defaulted to be the most probable accounting date for your invoice.
4. Supplier name and contact details are used to recognize the correct vendor. Using a unique identifier like DUNS number would be very efficient for assuring the validity of a vendor. Did you know that some authorities require the EIN number on the invoices? What a good way to recognize the vendor!
5. If you have multiple companies as part of a group, it is important to recognize the correct receiver automatically. Also, for determining what the invoice is about, it is usually crucial for AP and automation to have some sort of key words like a person’s name responsible for the ordering.
6. Delivery date of the goods or service helps to determine the accounting period and to find the correct event that we are invoicing. Imagine having invoices for professional services e.g. legal services without knowing which day they are invoicing.
7. One PO per invoice is the best way to enable automation as invoices are most likely to “match”. Only the real discrepancies are left for manual handling and all others can be automatically posted with 3-way matching.
8. With e-invoices, it is actually possible to have the coding delivered by the vendor along with the invoice, but also just having the reference of a cost center or a project is a big benefit for AP to determine what the invoice is about, and where it is going.
9. Description of the products is obviously important, but sometimes even mandatory. Serial and batch numbers are a legal requirement in some cases when dealing with e.g. pharmaceuticals or manufacturing.
10. Unit prices and quantity are used for 3-way matching.
11. Invoice total or the amount to be paid is of course important in general, but it can also be used with the line level information to cross-reference the accuracy of the invoice capture process.
12. All information about when and how the payment is expected should be marked on the invoice. Especially if there are any late payment fees or cash discounts.
13. Banking details are generally considered as sensitive information, but this should not be the case. In many countries banking details are used to validate the vendor. The banking details informed in the vendor onboarding are compared to those on the invoice.