

SOP Template: Invoice Data Verification and Matching with Purchase Orders

This SOP details the process of **invoice data verification and matching with purchase orders**, including steps for reviewing invoice accuracy, cross-checking invoice details against purchase orders, validating quantities and prices, identifying discrepancies, obtaining necessary approvals, and ensuring timely and accurate payment processing. The goal is to maintain financial accuracy, prevent payment errors, and support efficient accounts payable operations.

1. Purpose

To establish a standardized process for verifying invoice data and matching it with purchase orders to ensure accuracy and integrity in accounts payable.

2. Scope

This procedure applies to all invoices received by [Company Name] that require matching with purchase orders prior to processing payment.

3. Responsibilities

- **Accounts Payable Team:** Responsible for performing the invoice verification and matching process.
- **Procurement Team:** Provides clarification on purchase orders as needed.
- **Approvers/Managers:** Review and approve discrepancies or exceptions as required.

4. Procedure

1. Invoice Receipt

- Receive invoices via mail, email, or electronic invoicing system.
- Log each invoice in the invoice tracking system.

2. Initial Invoice Review

- Check for completeness (vendor info, invoice number, date, PO reference, itemization).
- Confirm invoice legitimacy (authorized vendor, accurate details).

3. Purchase Order (PO) Matching

- Locate the corresponding PO in the system using the PO reference number.
- Ensure vendor details on the invoice match those on the PO.

4. Validation of Quantities and Prices

- Cross-check quantities billed against those ordered and received.
- Verify unit pricing and total amounts against the PO.

5. Identify and Resolve Discrepancies

- Note any mismatches or discrepancies in a discrepancy log.
- Communicate with vendor or procurement team to resolve issues.
- Escalate unresolved discrepancies to management for approval or further action.

6. Approval Process

- Obtain necessary approvals for invoices and any exceptions per the approval matrix.

7. Payment Processing

- Upon successful matching and approvals, forward invoice for payment processing.
- Update status in the invoice tracking system.

8. **Record Retention**

- File all documentation (invoice, PO, correspondence) as per company record retention policy.

5. **Documentation and Records**

Record Type	Retention Period	Responsible Party
Invoices	7 years	Accounts Payable
Purchase Orders	7 years	Procurement
Discrepancy Logs	7 years	Accounts Payable

6. **Controls and Compliance**

- Segregation of duties to prevent fraud and errors.
- Periodic audits to ensure policy adherence.
- Compliance with relevant accounting standards and company policies.

7. **Revision History**

Date	Version	Description	Author
2024-06-20	1.0	Initial SOP draft	[Author Name]