GLOSSARY OF SAP S/4HANA VIM (VENDOR INVOICE MANAGEMENT)

A Quick Reference Guide to SAP Terminologies

Concept/Term	Definition
SAP VIM (Vendor Invoice Management)	A solution for automating and streamlining the process of managing vendor invoices, from receipt to payment, integrated into SAP S/4HANA.
Invoice Processing	The process of receiving, validating, and posting vendor invoices in SAP S/4HANA, ensuring accuracy and compliance.
OCR (Optical Character Recognition)	Technology used in SAP VIM to automatically read and extract data from scanned vendor invoices, reducing manual data entry.
Three-Way Matching	A process in SAP VIM where the vendor invoice is matched against the purchase order and goods receipt to verify accuracy before payment.
Invoice Receipt	The stage where vendor invoices are received and entered into the SAP system for processing, often using scanning or electronic transmission.

Concept/Term	Definition
Invoice Verification	The process of checking and validating the vendor invoice against purchase orders and goods receipts for correctness before posting in SAP.
Invoice Posting	The final step in SAP VIM where the invoice is posted to the accounts payable ledger, creating a financial document in the system.
Supplier Portal	A web-based interface for suppliers to submit invoices, track payment status, and communicate with the purchasing and accounts payable teams.
Approval Workflow	A system that defines the steps and approvals required before an invoice can be processed or paid in SAP VIM, often involving multiple departments.
Invoice Receipt Date	The date on which the vendor invoice is received, which is used to determine payment due dates and help manage cash flow.

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Concept/Term	Definition
Payment Terms	The agreed-upon terms between the buyer and supplier regarding when and how payment for invoices will be made, often influencing invoice processing in SAP VIM.
Accounts Payable	A financial account in SAP used to manage money owed to vendors, including the recording and payment of vendor invoices.
Goods Receipt (GR)	The process of confirming the physical receipt of goods, which is used to match against the vendor invoice and purchase order in SAP VIM.
Purchase Order (PO)	A document issued by the buyer to the supplier outlining the terms, quantities, and prices of goods or services, used in the matching process in SAP VIM.
Invoice Exception Handling	A process in SAP VIM for managing invoices that cannot be processed due to discrepancies, such as missing/incorrect information, requiring manual intervention.

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SAP S/4HANA VIM
Key Concepts

Concept/Term	Definition
Payment Proposal	A list of invoices prepared for payment in SAP S/4HANA, typically generated based on due dates and payment terms, ready for approval.
Credit Note	A document issued by the supplier to reduce the amount owed on an invoice, often handled through SAP VIM for adjustments in the accounts payable process.
Debit Memo	A document issued by the buyer to adjust an overpayment or incorrect invoice, also managed in SAP VIM to correct vendor accounts.
Document Splitting	A feature in SAP that allows the separation of financial transactions into different accounts based on predefined criteria, often used in VIM for more detailed reporting.
Tax Calculation	The process of determining the correct amount of tax to be applied to an invoice, which is handled in SAP VIM based on regional tax rules and invoice details.

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Concept/Term	Definition
Invoice Archiving	The process of storing vendor invoices electronically within SAP for future reference and compliance, reducing physical storage needs.
Workflow Approval Process	A predefined series of actions that require approvals from specified users before an invoice can be processed or paid in SAP VIM.
Invoice Coding	The process of assigning appropriate general ledger codes to vendor invoices in SAP VIM, ensuring proper accounting and reporting.
Payment Run	A process in SAP that automatically generates payments for approved invoices, based on payment terms and available funds.
Invoice Reconciliation	The process of ensuring that the invoiced amounts match the amounts due in SAP, verifying that payments have been correctly applied and balanced.

Concept/Term	Definition
Document Flow	A feature in SAP that tracks the movement and status of invoices, including approvals, postings, and payments, providing a complete audit trail.
PO Invoice Matching	The matching of vendor invoices to purchase orders and goods receipts in SAP, ensuring that only valid invoices are processed for payment.
Payment Block	A temporary hold on an invoice in SAP VIM, often used when discrepancies or issues are identified, preventing payment until resolved.
Early Payment Discount	A discount offered by suppliers for early settlement of invoices, typically calculated and managed within SAP VIM for optimizing cash flow.
Partial Payment	A payment made for part of an invoice amount, which may occur when full payment is not due or when negotiated with the supplier, recorded in SAP VIM.

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Concept/Term	Definition
Invoice Header	The top section of an invoice containing summary information such as invoice number, date, and vendor details, processed in SAP VIM for initial validation.
Invoice Item	The detailed line items of a vendor invoice, such as product description, quantity, price, and total amount, validated and posted in SAP VIM.
Batch Input	A method of entering multiple invoices into SAP VIM at once, typically for bulk invoice processing, improving efficiency.
Goods Receipt Invoice Verification	A process in SAP VIM where the system verifies the match between goods receipts and the vendor invoice before posting the invoice.
Invoice Amount	The total monetary value of the vendor invoice, including items, taxes, and any adjustments, which must be validated and posted in SAP VIM.

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Concept/Term	Definition
Invoice Approval Hierarchy	A defined structure of who must approve the invoice at various stages before it can be posted or paid, ensuring compliance and oversight.
Exception Workflow	A special workflow process in SAP VIM for handling invoices that do not conform to standard rules, requiring additional steps or review.
Duplicate Invoice Check	A process in SAP VIM to ensure that the same invoice is not processed and paid multiple times, reducing the risk of overpayment.
Invoice Data Extraction	The process of automatically extracting invoice data, such as amounts, dates, and item details, often using OCR or electronic formats in SAP VIM.
Vendor Master Data	The record in SAP that contains key information about a supplier, such as name, payment terms, and contact details, used for invoice processing.

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Concept/Term	Definition
Invoice Validation	The process of verifying that an invoice meets all the required criteria, such as matching PO, GR, and correct payment terms, before posting in SAP VIM.
Early Payment Processing	The handling of invoices for early payment opportunities, optimizing cash discounts and supplier relationships in SAP VIM.
Payment Terms Adjustment	The process of modifying the payment terms on an invoice based on supplier negotiations or other business needs, processed in SAP VIM.
Vendor Invoice Approval	The workflow or process in SAP VIM that requires approval from designated personnel before an invoice is posted to accounts payable.
Invoice Discrepancy Resolution	The process of resolving discrepancies between vendor invoices and purchase orders or goods receipts, handled within SAP VIM before payment.

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Concept/Term	Definition
Invoice Status	The current state of an invoice in SAP VIM, indicating whether it is pending, approved, paid, or blocked due to issues.
Invoice Posting Date	The date when the invoice is posted in SAP S/4HANA, which impacts financial reporting and payment due dates in SAP VIM.
Vendor Credit Management	A process in SAP VIM that ensures that vendors' credit terms and limits are respected during invoice processing and payment.
Invoice Dispute	The process of handling customer or vendor disputes related to invoices, often involving manual intervention or corrections in SAP VIM.
Payment Reconciliation	The process of matching paid invoices with payment records to ensure that all payments are accurately tracked and posted in SAP VIM.

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