Procurement Process Overview & Financial Elements

May be "automatic" or require manual approval via workflow

Keep payment terms, e.g., net 60, in mind

Purchase Requisition → **Approval** → **Purchase Order** → **Order Processed & Goods Shipped** → **Invoice** → **Payment**

System view
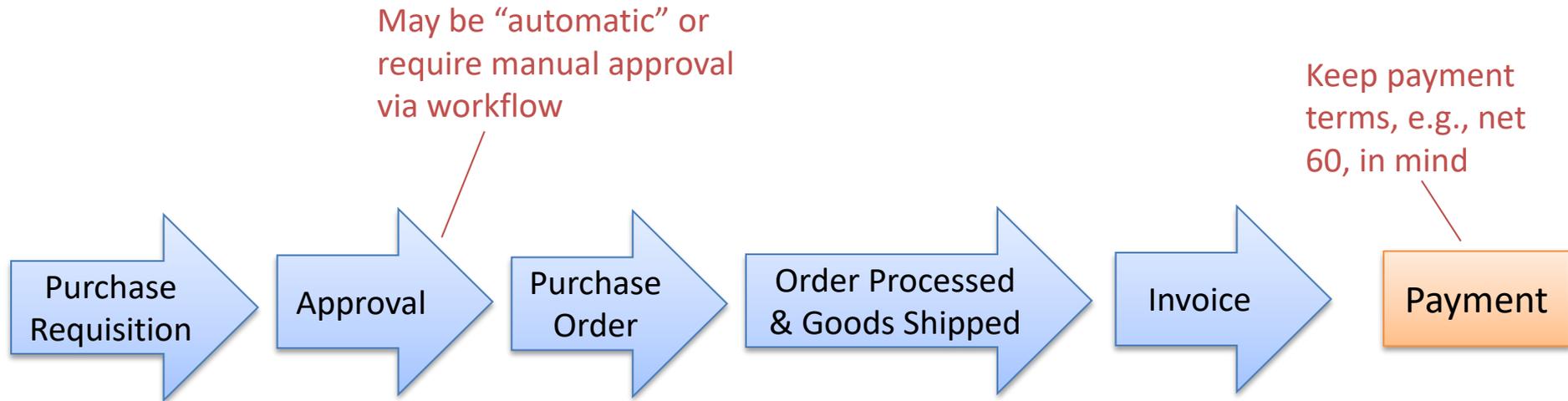
Purchase Requisition	Purchase Order	Invoice
PR #; workflow begins	PO generated and sent to vendor	Invoice submitted via SAP Business Network or AP enters data into SAP

Reporting view

Purchase Order	Invoice
Commitment generated	Commitment reduced; expense posted