

# Payment Factory - Rejected Payments v.4

## Work Instruction

Last updated 2023-02-23

## Version History

Rev.	Issuer	Date	Remarks
1	Stefan Artman	2021-03-12	First draft
2	Stefan Artman	2021-03-25	Detach/deblock payment
3	Stefan Artman	2021-04-12	Added Chapter 5. Payments rejected by the bank
3	Stefan Artman	2023-02-23	General review and update

## Business context

This simulation shows the required steps for rejecting payments in the Payment Factory. Rejected payments can be either an entire batch or a payment item within the batch. The 1<sup>st</sup> approver and the P2P Accountant can reject on Item level, whereas the second (final approver) cannot. All persons including the second approver can always reject the entire payment batch. To help identifying incorrect payment items all payments will be screened. The Payment Screening will help identify and classify inaccurate payments items that need rejecting.

## Triggers

When a payment batch or single payment items within a batch have been reviewed by an approver and the conclusion is that the payment item/batch should not be processed any further.

## Outputs

- The payment items are rejected, or whole payment batch are rejected, and moved to failed batches tab.
- Invoices have been blocked and reversed in ERP<sup>1</sup>.
- Corrective actions have been identified and triggered.

## What to watch out for

When a payment item or batch is rejected in the Payment Factory, it is crucial that invoices are blocked, items are reversed, and corrective actions are taken accordingly.

## Applicable Business Roles

P2P Accountant (no approval rights)

P2P Accountant (1<sup>st</sup> approver of payments)

2<sup>nd</sup> Approver of payments (according to finance authorization policy)

The above applicable business roles also require access to the applicable legal unit.

## How to use this Work Instruction?

Use this work instruction as support in performing the applicable activities. Each step, or combination of steps, is shown with a screenshot. The text below each screenshot explains in detail the steps to follow in the right sequence.

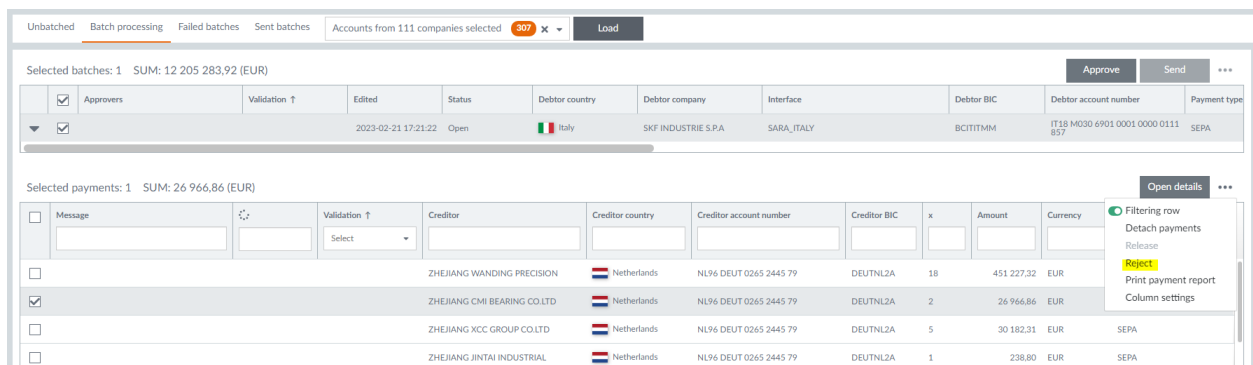
<sup>1</sup> Rejected by bank is triggering automated reversal and block in SAP from 2022.  
Rejected by bank will trigger automated reversal and block in SARA from Q2 2023.  
Rejected by user will trigger automated reversal and block in ERP from Q2 2023.

## A, Reject single payment in batch

At this step, the P2P Accountant or the 1<sup>st</sup> approver has identified an issue related to a single payment in a batch and should be rejected. (2<sup>nd</sup> approver cannot reject a single payment from batch).

To reject a single payment from the batch:

- Select the payment when you are inside the batch
- Click on the three dots to the right of the “Open details” button
- Then click **“Reject”**, as shown below.

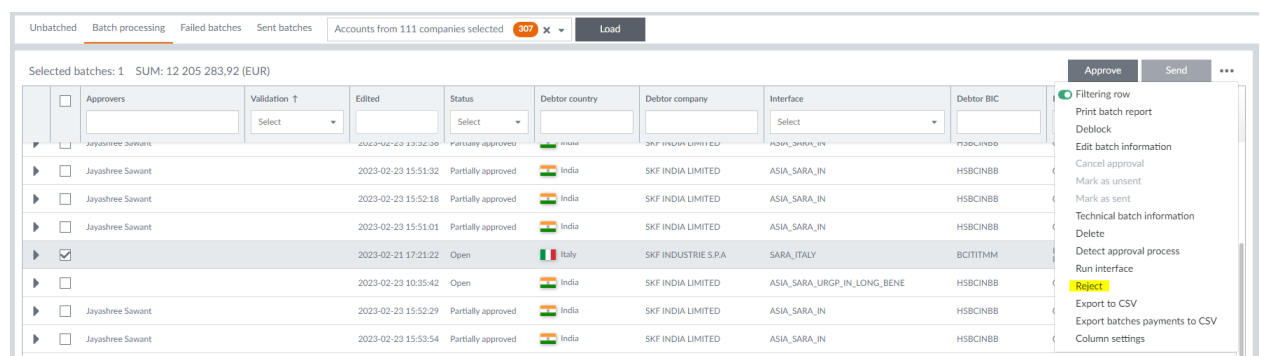


Message	Validation ↑	Creditor	Creditor country	Creditor account number	Creditor BIC	x	Amount	Currency
<input type="checkbox"/>		ZHEJIANG WANDING PRECISION	Netherlands	NL96 DEUT 0265 2445 79	DEUTNL2A	18	451 227.32	EUR
<input checked="" type="checkbox"/>		ZHEJIANG CMI BEARING CO.LTD	Netherlands	NL96 DEUT 0265 2445 79	DEUTNL2A	2	26 966.86	EUR
<input type="checkbox"/>		ZHEJIANG XCC GROUP CO.LTD	Netherlands	NL96 DEUT 0265 2445 79	DEUTNL2A	5	30 182.31	EUR
<input type="checkbox"/>		ZHEJIANG JINTAI INDUSTRIAL	Netherlands	NL96 DEUT 0265 2445 79	DEUTNL2A	1	238.80	EUR

Then the remaining payments in the batch can still be approved and proceeded with if they seem alright. The rejected payment will be moved to a new batch which can be found in the “Failed batches”.

## 1. B, Reject whole payment batch

If the whole batch needs to be rejected, the P2P Accountant, 1<sup>st</sup> or 2<sup>nd</sup> approver can do this by selecting the batch and then click the three dots and then **“Reject”** as shown below.



Approvers	Validation ↑	Edited	Status	Debtor country	Debtor company	Interface	Debtor BIC
Jayashree Savant	Select	2023-02-23 17:21:22	Partially approved	India	SKF INDIA LIMITED	ASIA_SARA_IN	HSBCINBB
Jayashree Savant		2023-02-23 15:51:32	Partially approved	India	SKF INDIA LIMITED	ASIA_SARA_IN	HSBCINBB
Jayashree Savant		2023-02-23 15:52:18	Partially approved	India	SKF INDIA LIMITED	ASIA_SARA_IN	HSBCINBB
Jayashree Savant		2023-02-23 15:51:01	Partially approved	India	SKF INDIA LIMITED	ASIA_SARA_IN	HSBCINBB
Jayashree Savant		2023-02-21 17:21:22	Open	Italy	SKF INDUSTRIE S.P.A	SARA_ITALY	BCITITMM
Jayashree Savant		2023-02-23 10:35:42	Open	India	SKF INDIA LIMITED	ASIA_SARA_URGP_IN_LONG_BENE	HSBCINBB
Jayashree Savant		2023-02-23 15:52:29	Partially approved	India	SKF INDIA LIMITED	ASIA_SARA_IN	HSBCINBB
Jayashree Savant		2023-02-23 15:53:54	Partially approved	India	SKF INDIA LIMITED	ASIA_SARA_IN	HSBCINBB

Once the batch is rejected, it will be moved to the “Filed batches” view.

If the 1<sup>st</sup> approval is already completed and the 2<sup>nd</sup> approver wants to reject the whole batch, the 2<sup>nd</sup> approver first needs to cancel the approval. This is achieved by selecting the batch and then clicking the three dots and finally **“Cancel approval”** as shown below.

Payment processing

Unbatched Batch processing Failed batches Sent batches Accounts from 9 companies selected 29 x Load

Selected batches: 1 SUM: 2 199 (USD)

Validation	Approval process	Status	Debtor company	Debtor country	Debtor account number	X/x	Amount	Currency	Due date	
66DG	Manual Payments	Open	SKF SVERIGE AB	Sweden	SE78 5000 0000 0544 0111 4331	1/1	1,00	SEK	2023-01-19	
1000111307	Vendor Payments	Approved	SKF SVERIGE AB	Sweden	SE78 5000 0000 0544 0111 4331	1/1	107 408,84	EUR	2023-01-25	
1000112611	Vendor Payments	Open	SKF SVERIGE AB	Sweden	SE78 5000 0000 0544 0111 4331	1/1	6 746,79	EUR	2023-01-25	
1000112914	Vendor Payments	Open	SKF SVERIGE AB	Sweden	SE78 5000 0000 0544 0111 4331	1/1	11 223,00	USD	2023-01-25	
BSQW	Manual Payments	Partially approved	SKF SVERIGE AB	Sweden	SE78 5000 0000 0544 0111 4331	1/1	12,00	SEK	2023-02-10	
	Manual Payment	Open	KAYDON CORPORATION	United States of America	4451 3281 46	1/2	5 455,00	EUR	2023-02-16	
1000118617	Vendor Payments	Partially approved	SKF SVERIGE AB	Sweden	SE78 5000 0000 0544 0111 4331	2/2	2 199,00	USD	2023-02-16	
1000118819	Manual Payments	Open	SKF SVERIGE AB	Sweden	SE78 5000 0000 0544 0111 4331	2/2	2 199,00	USD	2023-02-16	

Approve Send ...

- Filtering row
- Deblock
- Cancel approval
- Mark as unsent
- Mark as sent
- Technical batch information
- Delete
- Detect approval process
- Column settings

## 2. Payment reversal / void and block / hold in ERP<sup>2</sup>

When payments are rejected by the bank, the payment feedback is passed on from bank to the ERP via Payment Factory and automatically reverses / voids the payments and put the vouchers in status block / hold<sup>3</sup>.

When payments are rejected by the user in Payment Factory, payments need to be reversed / voided and blocked / held manually back in the ERP by Capgemini or P2P FOC. In Q2 2023, this will be automated.

For your information, the End to end ID of each payment in the Payment Factory corresponds to the “DocumentNo” in SAP. For SARA it corresponds to an information key in SARA built up with company code + currency + payment type + Running number.

If the “End to end ID” field is not visible for you, you can add it to the table by clicking the three dots at the top right, and then “Column settings”.

Payment processing

Unbatched Batch processing Failed batches Sent batches Accounts from 9 companies selected 29 x Load

Selected batches: 1 SUM: 2,624.38 (EUR)

Feedback status	Reason	Status	Debtor company	Debtor country	Debtor account number	X/x	Amount	Currency	Due date	Sent	Sent by
ACSP	Feedback received	SKF SVERIGE AB	Sweden	SE78 5000 0000 0544 0111 4331	2/2	2,624.38	EUR	09/03/2023	09/03/2023 16:43:01	Curtis Dierme	

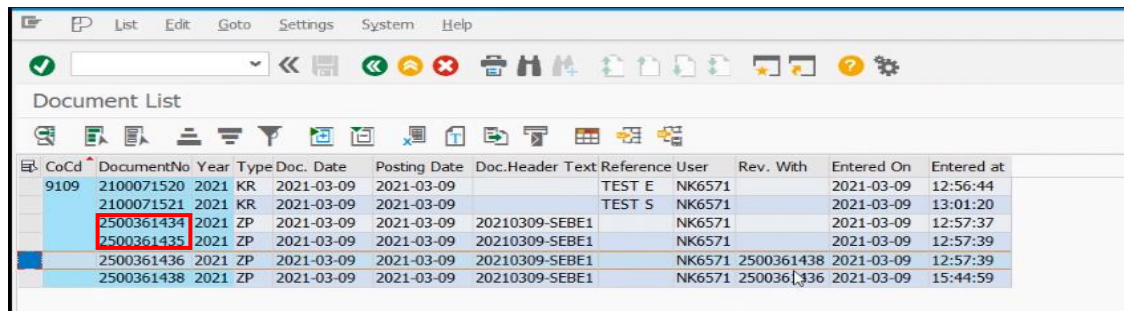
Selected payments: 0 SUM:

Batch status	Reason	Creditor	Creditor country	Creditor account number	Creditor BIC	x	Amount	Currency	Payment type	Sent	End to end ID	Edited
ACSP	SAINT-GOBAIN ABRASIVES AB	France	FR76 3000 4013 2800 0134 5972 504	BNPAFRPP00K	1	649.38	EUR	SEPA			2500361429	09/05/2021 17:11:29
ACSP	SAINT-GOBAIN ABRASIVES AB	France	FR76 3000 4013 2800 0134 5972 504	BNPAFRPP00K	1	1,975.00	EUR	SEPA			2500361425	09/05/2021 17:11:23

Open details ...

<sup>2</sup> This step is not applicable when rejecting manual payments.

<sup>3</sup> As of Feb 2023, not yet implemented for SARA, to be done during Q2 2023.



CoCd	DocumentNo	Year	Type	Doc. Date	Posting Date	Doc. Header Text	Reference	User	Rev.	With	Entered On	Entered at
9109	2100071520	2021	KR	2021-03-09	2021-03-09		TEST E	NK6571			2021-03-09	12:56:44
	2100071521	2021	KR	2021-03-09	2021-03-09		TEST S	NK6571			2021-03-09	13:01:20
	2500361434	2021	ZP	2021-03-09	2021-03-09	20210309-SEBE1		NK6571			2021-03-09	12:57:37
	2500361435	2021	ZP	2021-03-09	2021-03-09	20210309-SEBE1		NK6571			2021-03-09	12:57:39
	2500361436	2021	ZP	2021-03-09	2021-03-09	20210309-SEBE1		NK6571	2500361438		2021-03-09	12:57:39
	2500361438	2021	ZP	2021-03-09	2021-03-09	20210309-SEBE1		NK6571	2500361436		2021-03-09	15:44:59

### 3. Trigger corrective actions

There could be various reasons for the rejection. A root cause analysis needs to be performed by the P2P Accountant in the FOC to decide what actions are needed to enable the invoices to be paid going forward.

- If there are any vendor master data which requires updates, the 1.2.01 P2P Finance master data object processes are to be applied depending on the cause.
- If there are problems which require the supplier to be contacted, the Supplier invoice rejection process is initiated by contacting AP Helpdesk.

### 4. Payments rejected by the bank

If payments are rejected by the bank, these will be shown in the “failed batches” view with a reason for the failure. The reason for the rejection could be incorrect master data, incorrectly filled out manual payments etc.

When a payment is rejected by the bank, an email is sent out to the P2P accountants and P2P team lead which have approval rights to the corresponding unit, informing that payment has been rejected by the bank and more details about the rejection is available in Payment Factory.

After the items have been reversed, step 3 outlined above will take place.

Once corrective actions, such as vendor master data update, have been completed, and invoices are unblocked in SAP/SARA. The invoices will be included in the next scheduled payment run.