ACCOUNTS PAYABLE

Version 2

HEFLO

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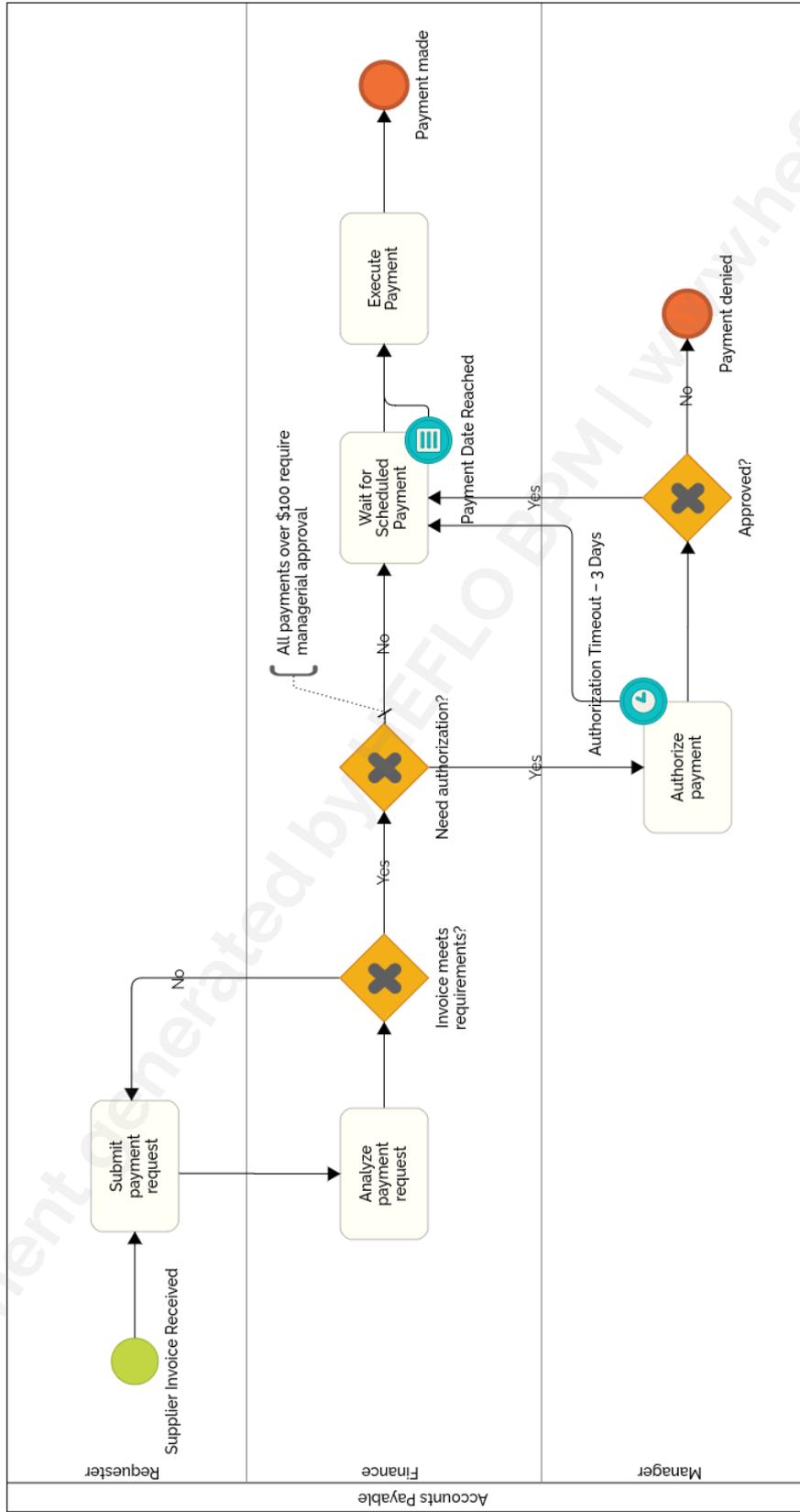| Name	Accounts Payable
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Description

The *Accounts Payable* process manages supplier invoices from reception to payment. It begins when a requester submits a payment request after receiving an invoice. The Finance team reviews and analyzes the request to ensure accuracy and compliance.

If the invoice amount exceeds $100, the process requires manager authorization. Once approved or if no authorization is needed, the payment is scheduled. On the due date, the system executes the payment and closes the process.

The flow includes exception handling (e.g., missing approval) and timing controls to ensure payments are processed on time.

Diagram

Accounts Payable

Requester
- Supplier Invoice Received
- Submit payment request

Finance
- Analyze payment request
- Invoice meets requirements? (Yes / No)
- Need authorization? (Yes / No)
- All payments over $100 require managerial approval
- Wait for Scheduled Payment — Payment Date Reached
- Execute Payment
- Payment made

Manager
- Authorize payment
- Authorization Timeout – 3 Days
- Approved? (Yes / No)
- Payment denied

TASKS AND EVENTS

Accounts Payable

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Supplier Invoice Received

Performer
Requester

The **"Supplier Invoice Received"** start event marks the official beginning of the *Accounts Payable* process.

This event is triggered when an invoice is received from a supplier, either via email, postal mail, or through an electronic data interchange (EDI) system. The reception of this invoice initiates the internal process of validating, approving, and ultimately paying the amount due.

At this point, no human action is required — the system or process is simply acknowledging the arrival of a new invoice that needs to be handled. This event ensures a clear and traceable starting point for the entire process flow.

Submit payment request

Performer
Requester

The **"Submit Payment Request"** task represents the first user activity in the *Accounts Payable* process.

During this step, the employee or requester who received the supplier invoice submits a formal request for payment. This is typically done by entering invoice-related information into the company's ERP or accounting system, such as:

- Supplier name
- Invoice number and date
- Amount due
- Purchase order (PO) reference (if applicable)
- Description of goods or services

The goal of this step is to ensure that all necessary invoice data is captured and sent to the next stage for validation and approval. The system may validate basic fields (e.g., mandatory fields, duplicate invoice check) at this point before forwarding the request.

Analyze payment request

Performer
Finance

The **"Analyze Payment Request"** task is carried out by a member of the Accounts Payable team.

During this step, the submitted payment request is thoroughly reviewed to ensure that all required information is correct and complies with internal policies. The analysis includes:

- Verifying invoice details (amount, supplier, date)
- Checking the match between the invoice, purchase order (PO), and goods receipt (3-way match)
- Ensuring the invoice is not duplicated and that it hasn't already been paid

- Confirming the tax data is accurate and complies with applicable regulations
- Validating the Payment Terms and due dates

If inconsistencies or missing information are found, the request may be returned to the requester for correction. If everything is in order, the process continues toward approval.

Authorize payment

Performer
Manager

The **"Authorize Payment"** task is performed by an authorized person, such as a manager or financial controller.

In this step, the approver reviews the payment request details to ensure compliance with company policies and budget limits. Based on the invoice amount, the approver may verify:

- Correctness of the request
- Supplier legitimacy
- Purchase order references
- Justification for the payment

If everything is in order, the payment is formally authorized, allowing the process to proceed to execution. If not, the request may be rejected or sent back for clarification.

Wait for Scheduled Payment

Performer
Finance

The **"Wait for Scheduled Payment"** task represents a pause in the process, during which the system or finance team waits for the predefined payment date to be reached.

After the invoice has been reviewed and confirmed to not require manual authorization, it is queued for automatic payment execution based on the agreed Payment Terms (e.g., Net 30, Net 45).

During this time, no action is required unless a change occurs (such as an invoice dispute or an update in Payment Terms). This waiting period ensures that payments are made **on time but not early**, optimizing cash flow management.

Execute Payment

Performer
Finance

The **"Execute Payment"** task represents the moment when the approved payment request is processed, and the funds are transferred to the supplier.

Depending on the system configuration, this step may be automated or involve manual intervention. The payment can be made via:

- Bank transfer
- Check issuance
- Electronic payment system (e.g., SEPA, SWIFT, ACH)

The system logs the transaction, generates a payment reference, and may send a confirmation to both the requester and the supplier.

This step is critical for financial accuracy and is often subject to audit tracking and internal controls.

Payment made

Performer
Finance

The **"Payment Made"** end event indicates the successful completion of the *Accounts Payable* process for the current invoice.

At this point, the authorized payment has been executed, and funds have been transferred to the supplier's account. The payment status is updated in the accounting or ERP system, and confirmation may be sent to the requester or stored for auditing purposes.

This event signifies that the invoice has been fully processed and closed, ensuring that the financial records are up to date and compliant with internal and external reporting requirements.

Payment Date Reached

Performer
Finance

The conditional boundary event labeled "Payment Date Reached" is attached to the Wait for Scheduled Payment task.

This event monitors a business condition: whether the current date matches the scheduled payment date for the invoice.

When this condition is met (i.e., it is the designated payment day), the waiting task is interrupted, and the process flows directly to Execute Payment.

This event ensures that payments are made in accordance with the agreed terms (e.g., Net 30, Net 60) without requiring manual intervention. It acts as a trigger to initiate the payment process once all timing conditions are satisfied.

Payment denied

Performer
Manager

The **"Payment Denied"** end event indicates that the payment request has been reviewed and **explicitly rejected** during the authorization phase.

This decision could result from various reasons, such as:

- Non-compliance with internal financial policies
- Incorrect or incomplete invoice information
- Suspicious or unauthorized supplier activity
- Missing documentation or PO reference

When this event is triggered, the process ends for the current request, and the invoice is not scheduled for payment. In many organizations, a rejection may also generate a notification to the requester or initiate a separate correction or appeal process (outside the current BPMN flow).

Authorization Timeout – 3 Days

Performer
Manager

The interrupting timer boundary event labeled "Authorization Timeout – 3 Days" is attached to the Authorize Payment task.

This event is triggered if the authorization task is not completed within three calendar days. It ensures that the payment process does not stall due to delays in approval.

When the timer expires, the current authorization task is interrupted, and the process continues by skipping manual approval and moving directly to the Wait for Scheduled Payment task.

This mechanism is useful in time-sensitive scenarios, where payments need to be processed promptly to avoid penalties, delays, or reputational risk. It may also be combined with an

alert or Escalation in a real system.

PERFORMERS

Requester

The **Requester** is typically the employee or department representative who initiates the payment process by submitting a payment request.

This role is responsible for providing all necessary information related to the invoice, such as supplier details, invoice number, PO reference, and justification for the expense.

The requester may also confirm the receipt of goods or services and respond to questions during the validation process.

Finance

The **Finance** lane represents the **Accounts Payable team** or the finance department in charge of managing supplier invoices and payments.

This group is responsible for:

- Verifying and analyzing payment requests
- Checking invoice validity and compliance
- Executing or scheduling payments
- Ensuring correct recording in the financial system

They also monitor deadlines and trigger actions if delays or exceptions occur.

Manager

The **Manager** is the designated approver who has the authority to validate payment

requests that exceed a defined threshold (e.g., $100).

This role ensures that expenditures are justified, aligned with budgets, and comply with company policies.

The manager may approve or deny the payment request. A lack of timely approval may trigger escalations or fallback mechanisms.

GLOSSARY

Escalation

The process of transferring a request or issue to a higher level of expertise or authority within the support team when the current level cannot resolve the issue. It ensures that more complex problems are handled by individuals with greater knowledge or specialized skills.

Payment Terms

The conditions under which payment for an invoice is expected, including the due date, any early payment discounts, and late payment penalties.