



SIS Webinar #02-2020

Miscellaneous Billings Best Practices

Presenters:

Bruno Roussel; Senior Manager, Airline Partner Payment Services Community; IATA
Azadeh Kordestani; Manager Operations and Onboarding, Industry E-Invoicing; IATA

Featured Presenters:

Rob Huijsman ; Director KLM Accounting Services & SIS SG Chair; KLM
Monika Kolos-Lembas; Senior Process Architect; Lufthansa



Welcome

Robert Huijsman

Director KLM Accounting Services
SIS Steering Group Chairman



Agenda



- ➡ Benefit of 'Location ID' for routing the invoices to a selected destination
- ➡ Recommended way to declare TAX and VAT in SIS Miscellaneous invoices
- ➡ Benefit of 'Payment status update' For both Billing and Billed members
- ➡ Dispute Management in SIS
- ➡ Importance of data quality for receiving party
- ➡ Q&A



Benefit of 'Location ID' for routing the invoices to a selected destination

➡ Main usage of Location ID



Facilitate Process of Centralized Systems

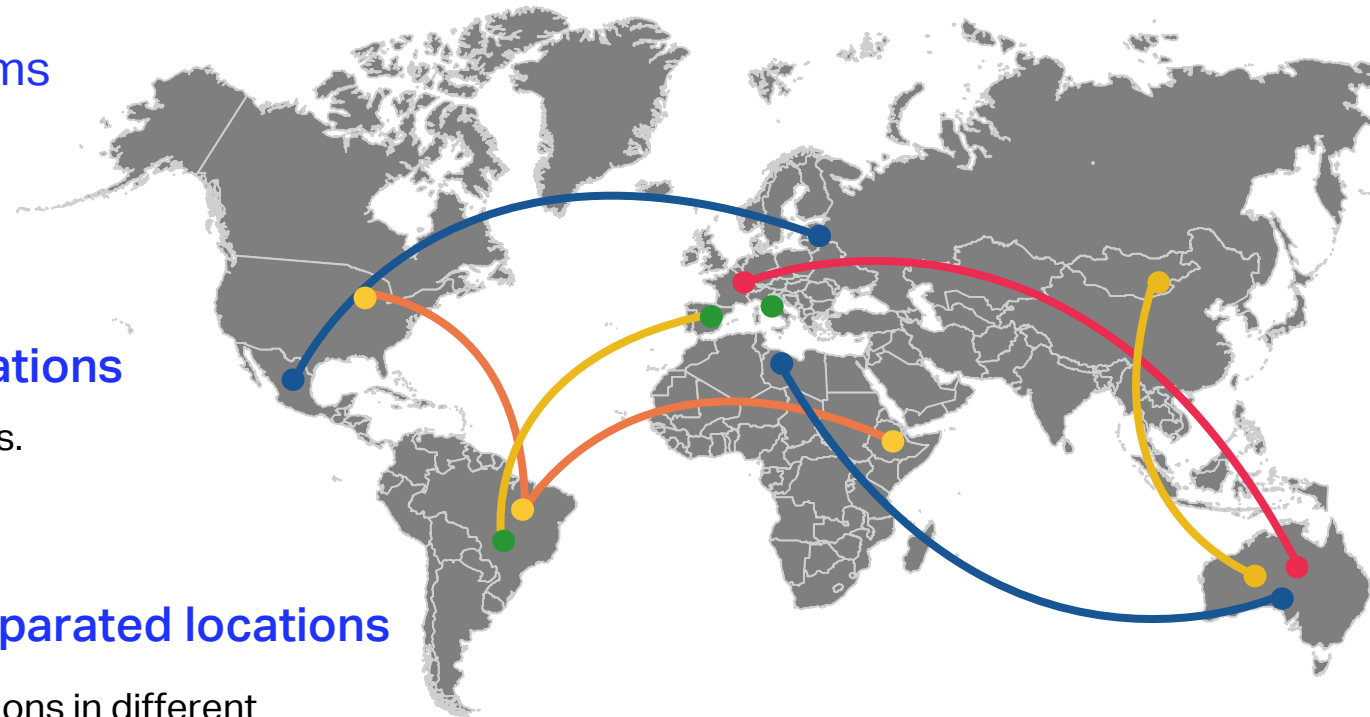
Some members have their different invoice nature processed by different systems.

Facilitate Process of Segregated Operations

Some members have decentralized their operations.

Facilitate Process of Geographically separated locations

Some members have different geographically locations in different countries or cities.



Location Specific Output Files – Member Profile Setup

1 Home >> Profile and User Management >> Manage Member Profile

Member Profile

Manage Member

Member Details **Locations** Contacts e-Billing Passenger Cargo Miscellaneous UATP ICH ACH

3 Search Existing Location:
1-Montreal-SPDR

Location Details

| | | | |
|---|--|--|---|
| * Member Legal Name: <input type="text" value="International Air Transpor"/> Edit... | * Member Commercial Name: <input type="text" value="International Air Transpor"/> | Company Registration ID: <input type="text"/> Edit... | Tax/VAT Registration #: <input type="text" value="107510570RT0001"/> Edit... |
| * Address Line 1: <input type="text" value="800 Place Victoria, PO Br"/> Edit... | Address Line2: <input type="text" value="14th Floor"/> Edit... | Address Line3: <input type="text"/> Edit... | |
| * City Name: <input type="text" value="Montreal"/> Edit... | Location Name: <input type="text" value="SPDR"/> | Postal Code: <input type="text" value="H4Z 1M1"/> Edit... | * Country Name: <input type="text" value="CANADA"/> Edit... |
| Subdivision Name: <input type="text" value="QC-Quebec"/> Edit... | UATP Location: <input type="checkbox"/> | Active : <input checked="" type="checkbox"/> Edit... | General Terms Document: <input type="text"/> |

4 **Miscellaneous Output Files Specific to this Location**

Files Specific to this Location Required:

iiNet Account ID for this Location:

If files specific to this Location are required and an iiNet Account ID is not defined, they will be delivered to the Main Miscellaneous iiNet Account (if defined)



Default Location for MISC Payables Original Invoices/Credit Note (billed party overriding)

Billed Members can direct the received MISC Original Invoice/Credit Note to a default 'Location ID'

| Billed Member's Location ID | Billed Member's Location ID set up | Current System Behavior |
|-----------------------------|------------------------------------|---|
| Not Provided | Country defaulted | <ul style="list-style-type: none">SIS assumes Billed Member's Location ID as "the local one"SIS populates the Reference Data of the Location "Local one" |
| Not Provided | Supplier defaulted | <ul style="list-style-type: none">SIS assumes Billed Member's Location ID as defined in the member profileSIS populates the reference data from the chosen location ID defaulted |

New!

➡ Default Location for MISC Payables Original Invoices/Credit Note

1 Home >> Profile and User Management >> Manage Member Profile

Member Profile

Manage Member

2

Member Details | Locations | Contacts | e-Billing | Passenger | Cargo | **Miscellaneous** | UATP | ICH | ACH

3 Default Location for MISC Payables Original Invoices and Credit Notes

* Default Location for MISC Payables Original Invoices and Credit Notes:

Main-MONTREAL-C [Edit...](#)

4 [Billing Member Specific Default Location](#)

5

Billing Member Specific Default Location

Member: Location ID:

| Actions | Member Designator Code | Member Accounting Code | Member Name | Default Location | Added On |
|----------------------------------|------------------------|------------------------|-------------------|------------------|-----------------|
| <input type="button" value="X"/> | XB | A60 | IATA GENEVA (EUR) | 2-Montreal-CA | 08-Jun-20 21:26 |

Page 1 of 1 5



An Airline view

- ❖ This do not require the supplier to provide location ID
- ❖ Require super user to do the set up in SIS
- ❖ Mitigate the risk of duplicate invoice processing to central and local company Code
- ❖ Automatic invoice process allocation
- ❖ Prerequisite for next automation possibilities for posting process



Monika Kolos- Lembas
Senior Process Architect, Lufthansa



Poll Question # 1

How can you route an invoice to the specific Location ID?

- By creating a Location ID and ask the supplier to provide it in the invoice
- By creating and assigning it as a country default Location ID in the 'Member Profile'
- By creating and assigning it a specific supplier default location ID in the 'Member Profile'
- All of the above options





Recommended way to declare TAX and VAT in SIS Miscellaneous invoices

➡ Report on invoice TAX and VAT at header or line item only



VAT or TAX differ per invoice line

Information should be provided to the line item corresponding



VAT or TAX applicable to the full invoice

Information should be provided at the header level as the full invoice follow the same tax treatment



VAT or TAX should be reported to the level applicable

Follow this process this reduce rounding issues, and this is also applicable for discount !

Poll Question # 2

What is the recommended level to report TAX and VAT in an invoice?

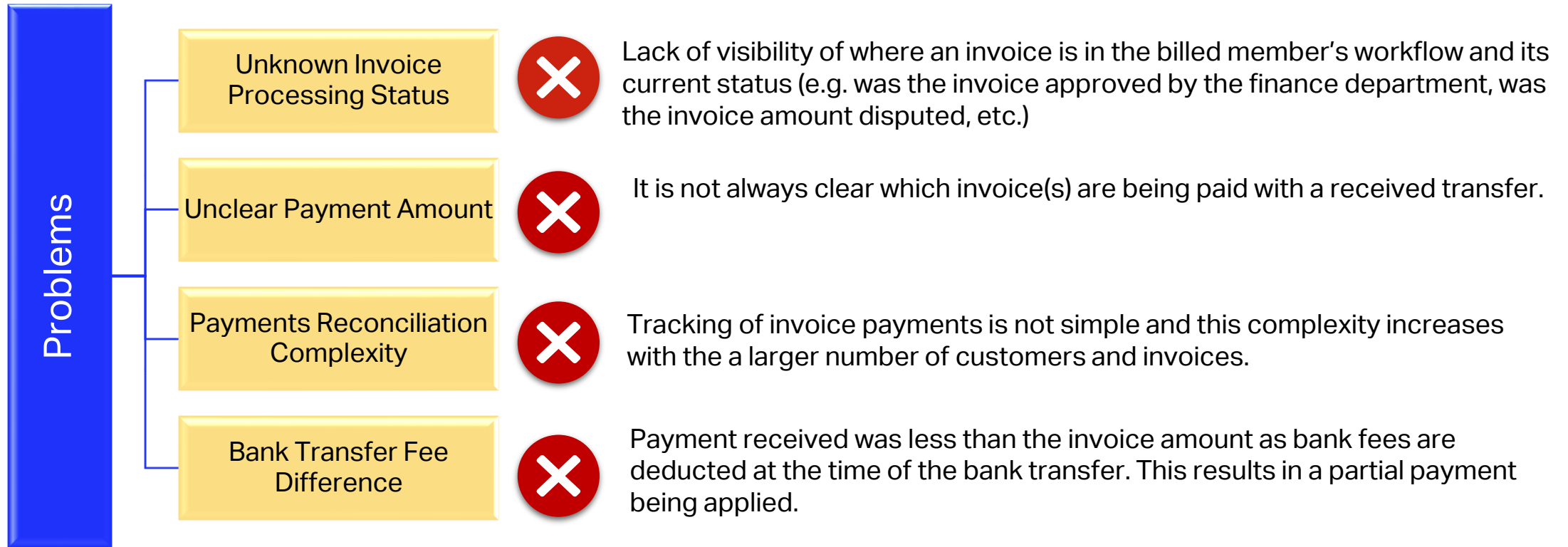
- Invoice Header Level
- Invoice Header or Line Item Level
- Line Item or Line Item Detail Level
- Only Line Item Detail Level





Benefit of 'Payment status update' For both Billing and Billed members

➡ 'Payment status update' targeted issues





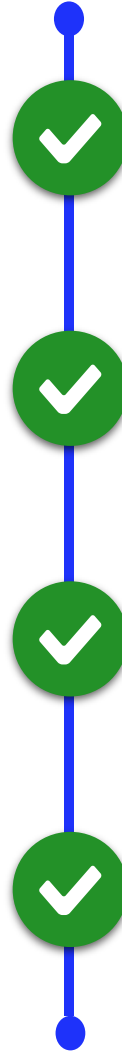
'Payment status update' benefits

Increase Transparency

It provides a huge benefit for suppliers to get visibility in one place of all invoice processing (validation and payment) during airlines review

Update Invoice Status

If a supplier updates the status, an airline can see whether the invoice is already paid or overdue, Airline and supplier collaborate in sharing this information systematically



Reduce Interactions

It reduces or avoids interactions between billing and billed parties (query on invoice reception, status, payment reconciliation)

Facilitate Payments Reconciliation

Reconciliation of payment is facilitated, speeds up the processes and increase efficiency.



'Payment status update' Feature

Who can
update
payment
statuses?

How to update
payment
statuses?

Are there any
Alerts?

Are there any
Outputs?

Payment status update - Member Profile Setup

1 Home >> Profile and User Management >> Manage Member Profile

Member Profile

Manage Member

2

Member Details Locations Contacts e-Billing Passenger Cargo **Miscellaneous** UATP ICH ACH

Validations

Rejection on Validation Failure:

Reject File In Error

Allow Resubmission of Failed Invoices:

Online Correction Allowed

Online Correction Allowed:

Supporting Documents

Additional File Types Accepted:

.doc,.xls etc.

Output Files:

Billed Invoices:

IS-XML [Edit...](#)

Billing Invoices Submitted On Behalf of the Member:

[Edit...](#)

Daily IS-XML files for Receivables IS-WEB Invoices:

[Edit...](#)

3 Daily Payment Updates for Receivables Invoices:

4 Daily Payment Updates for Payables Invoices:

MISC Document Packages:

Payment Overdue Auto Reminders

The email alert is sent daily to the email address assigned as the new '[MISC - Bilateral Payment Overdue](#)' contact in the Member Profile of the Billed Member.

If a contact is not defined, then SIS sends the email alert to [all active Super Users](#) of the Billed Member.

The Billing Member can setup auto reminders to be sent by the system to the Billed Member for overdue invoices.



MISC Bilateral Payment Overdue contact – Member Profile Setup

1 Home >> Profile and User Management >> Manage Member Profile

Member Profile

Manage Member



- Member Details
- Locations
- Contacts**
- e-Billing
- Passenger
- Cargo
- Miscellaneous
- UATP
- ICH
- ACH

3 Search Existing Contacts

First Name: Last Name: Email Id:

| Actions | First Name | Last Name | Email ID |
|----------------------------------|------------|-----------|-----------------------|
| <input type="button" value="x"/> | SIS | Staging | SISSTAGING5@gmail.com |

-
-
-

* Email Address:

Position/Title:

Location ID:

Salutation:

Division:

Address Line 1:

All Contact Assignments


Search Criteria

Group: Subgroup: Type:

| MISC-Interline Billing | MISC-Head of Department | MISC-RA Manager | MISC - Bilateral Payment Overdue |
|--------------------------|--------------------------|--------------------------|-------------------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |



Payment Overdue Auto Reminders – Member Profile Setup

 [Home](#) >> [Profile and User Management](#) >> [Manage Member Profile](#)

Member Profile


Manage Member



Member Details | Locations | Contacts | e-Billing | Passenger | Cargo | **Miscellaneous** | UATP | ICH | ACH

Payment Overdue Auto Reminders

Number of Alerts: **1**

Please Select 



➡ List of Payment Status as per Billing and Billed Member

Billing Member

Payment Status

- Credit Applied
- Erroneous Invoice Do not Pay
- Partial Payment Accepted
- Full Payment Received
- Overdue Payment
- Status Correction Payment Not Received
- Dispute Under Review
- Dispute Accepted
- Dispute Rejected
- Partial Payment Accepted as per Dispute
- Partial Payment Disputed
- Partial Payment Outstanding

Billed Member

Payment Status

- Under Review
- Under Review
- Approved
- Sent for Payment
- Partially Paid as per Terms
- Partially Paid
- Paid in Full
- Disputed
- Paid as per Dispute

An Airline view

- ❖ Reduce queries from suppliers with payment reminder
- ❖ Transparency and cooperation over invoice lifecycle
- ❖ Design for system integration



Monika Kolos- Lembas
Senior Process Architect, Lufthansa



Poll Question # 3

SIS will sent a past due notice email for a MISC Bilateral invoice to ... ?

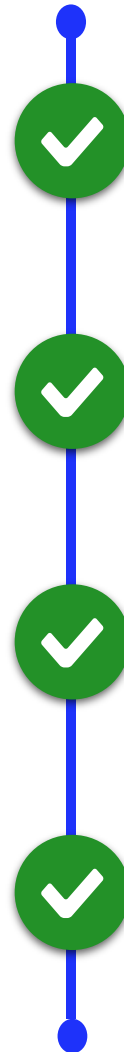
- 'MISC - Bilateral Payment Overdue' contact of the Billed Member
- 'MISC - Bilateral Payment Overdue' contact of the Billing Member
- 'MISC – Payables Payment Status Updates' contact
- 'MISC – Receivable Payment Status Updates' contact





Dispute Management in SIS

➔ Main usage of SIS Dispute Management for MISC Bilateral Invoices



Facilitate Dispute Resolution

It simplifies and speeds up the process of resolving a dispute between billing and billed parties.

Increase Transparency

It gets visibility to both billing and billed parties about disputed items and the dispute reasons and evidences.

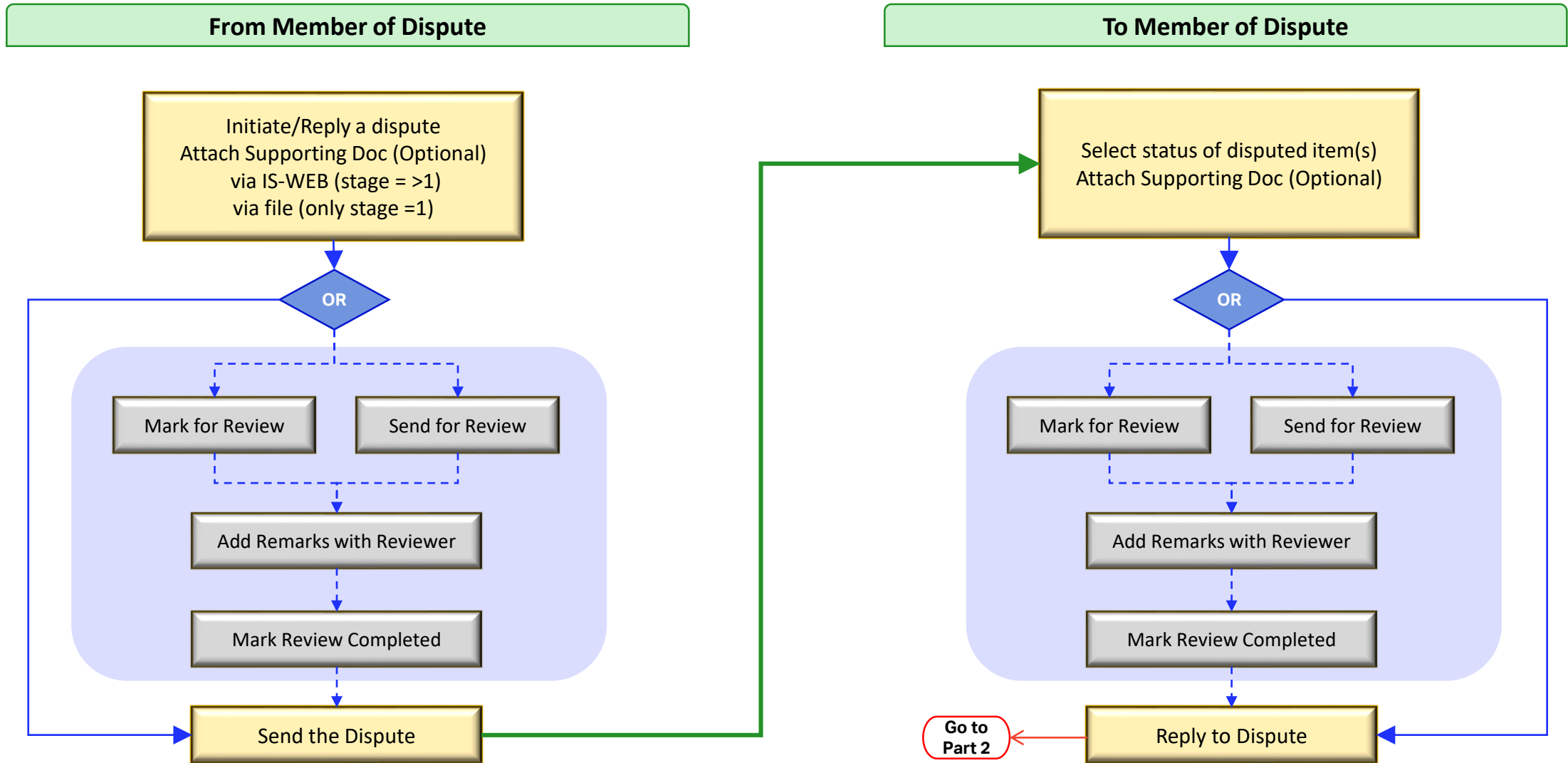
Facilitate Reconciliation of Disputed Amount

Reconciliation of disputed amount after reaching to an agreement on dispute is done faster and more efficient.

Increase Traceability

It increase the capability to trace an Item across the dispute process from an Original Invoice to Dispute to the Credit Note.

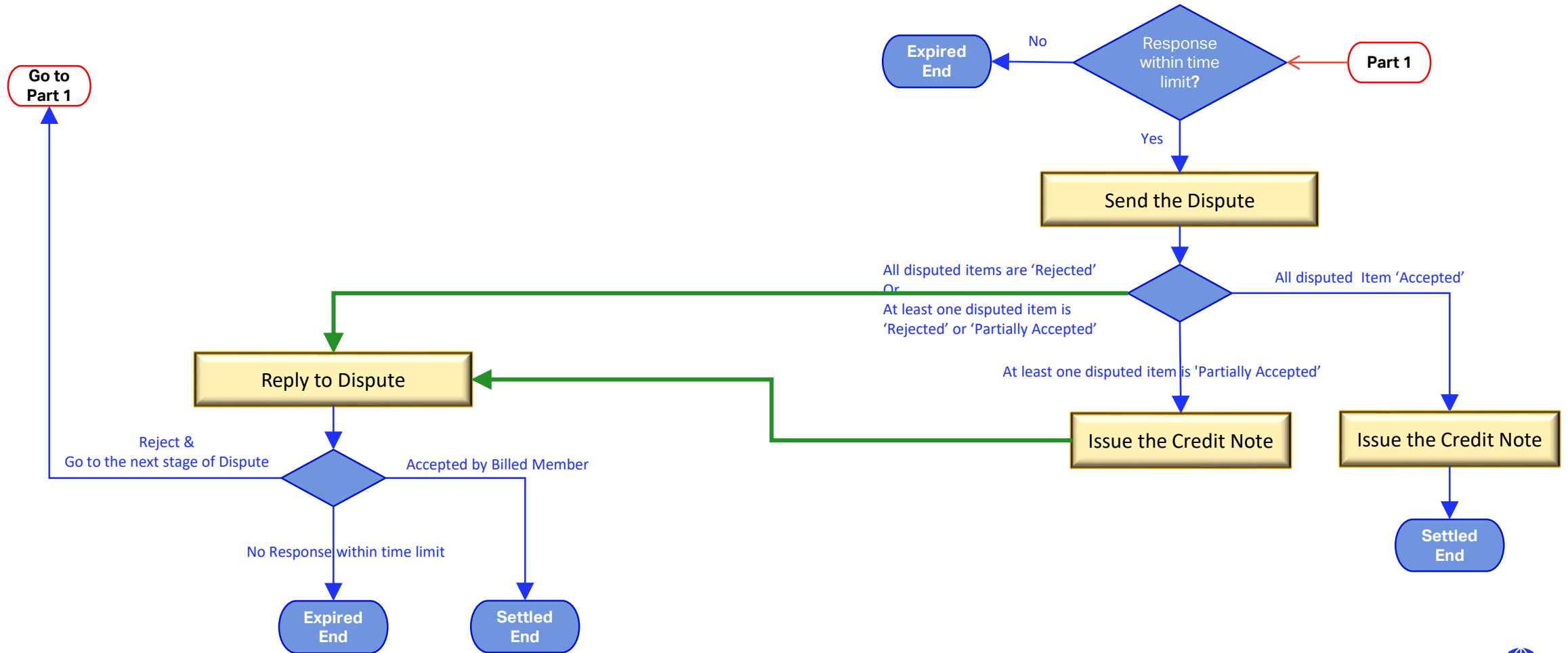
High-Level Process Map of SIS Dispute Management – Part 1



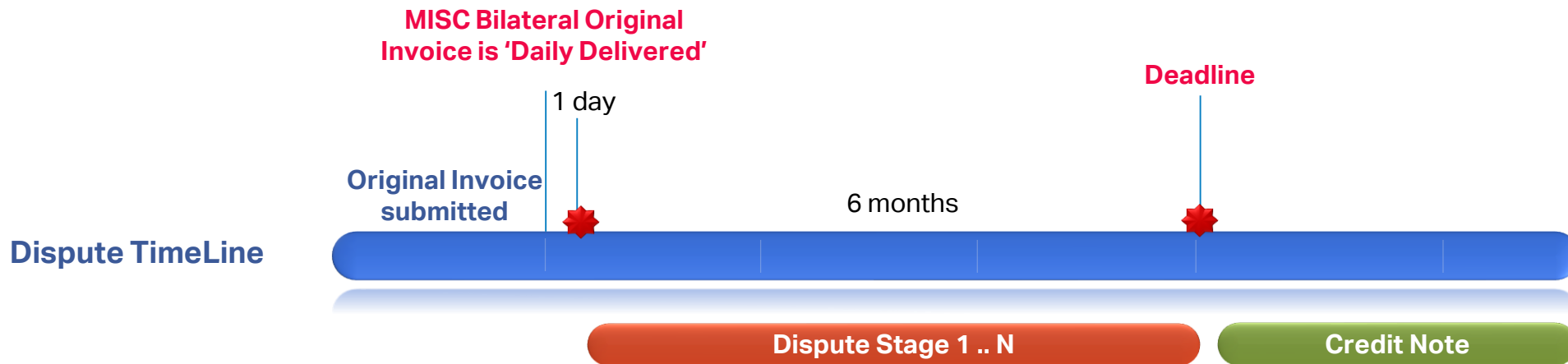
High-Level Process Map of SIS Dispute Management – Part 2

From Member of Dispute

To Member of Dispute



➡ SIS Dispute Time Line



Poll Question # 4

How does a member can raise a dispute in SIS ?

- Upload a dispute input file including disputes items
- Raise a request via Customer portal in Dispute category
- Upload a dispute input file or dispute via login to IS-WEB
- Dispute an invoice via login to IS-WEB and attach necessary supporting document



Importance of data quality for receiving party

Data Quality Issues



Inadequate data

Invoice with only one Line Item.



Wrong Invoice Type

Capturing an Invoice instead of a Rejection Invoice.



Incorrect data

Selecting incorrect Charge Category, Charge Code or Charge Code Type.



Unclear data

Unclear or incomplete description at Line Item or Line Item Detail level.



Quality of Supporting Document

Bad scanned or Long and not informative supporting documents



Non-Alignment of items

Mismatch of number of Line Items or Line Item Details between SIS invoice and attached Supporting Doc.



Non-Alignment of data

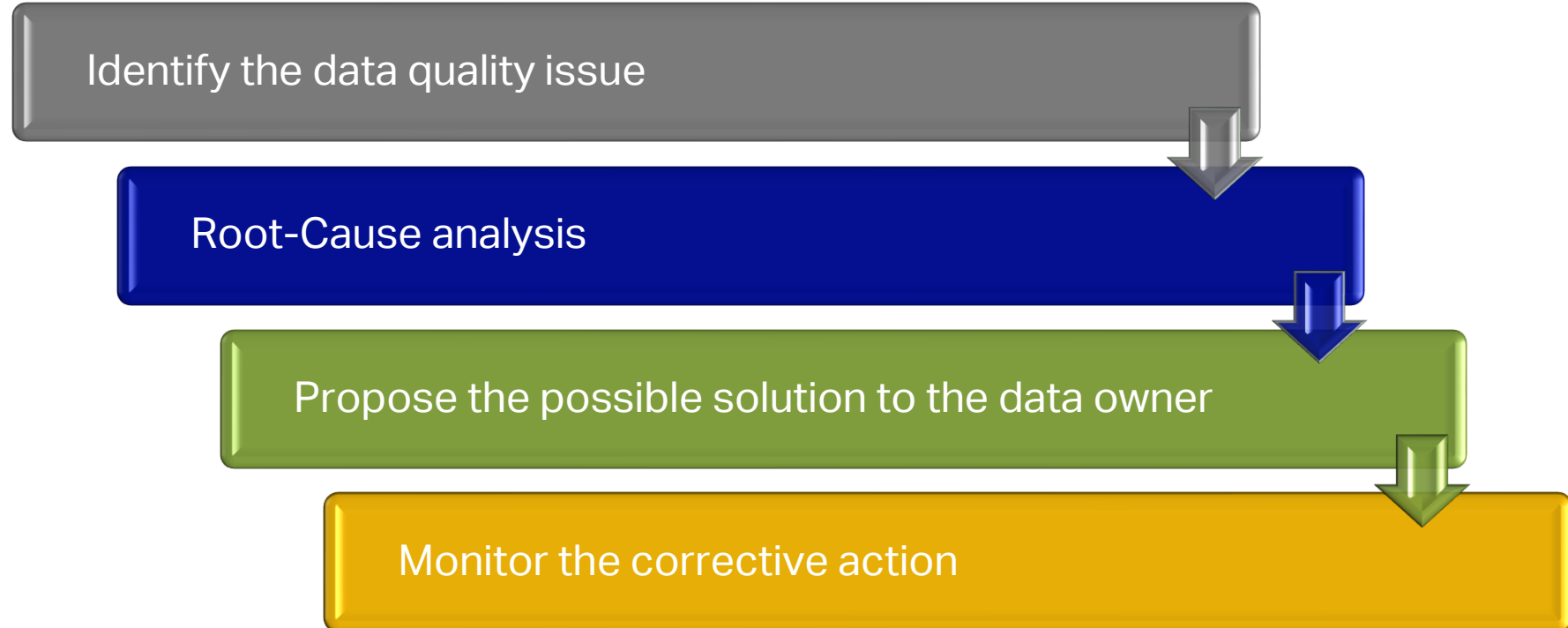
Mismatch of Line Item or Line Item Detail data (e.g. Quantity, Unit Price, etc.) between SIS invoice and attached Supporting Doc.



Substitution value

Using dummy or substitution value for Invoice Mandatory fields

➡ SIS Data Quality Process



An Airline view

- ❖ Incorrect charge code
- ❖ Incorrect airlines invoiced
- ❖ Attachment are provided outside of SIS
- ❖ Description of service aren't precise enough
- ❖ ICH invoice aren't as good as bilateral one
- ❖ Place of service differs from invoice and supporting information



Monika Kolos- Lembas
Senior Process Architect, Lufthansa



Poll Question # 5

What are the common data quality issues in SIS?

- Inadequate, incorrect or unclear data
- Non-Alignment of items or data
- Quality of Supporting Document or Using dummy or substitution value for Invoice Mandatory fields
- All of the above options



Links of Guidance Documents for this webinar:



SIS Dispute Management Guidance



[Payment Status Update Guidance](#)



[Payment Status Video](#)



[Location ID Guidance](#)



[Location ID Video](#)

More information on SIS Website : www.iata.org/SIS

'SIS For Airlines' or 'SIS For Suppliers' >>'Documents' tab





Questions
Comments
Feedback

Thank you!

