



ERS Guide for NA Suppliers



Process Overview

October 5 2017

WHAT IS ERS?

The self-billing method (two way match or two doc match), also known as evaluated receipt settlement (ERS), eliminates supplier invoicing activities by automatically settling payments to the supplier, based on the purchase order price and goods receipt quantity and/or service receipt. This process is the same as many Cargill businesses have used in the past to settle with suppliers.

To settle through the self-billing process (ERS) suppliers will not need to send invoices to Cargill Financial Shared Services. This eliminates invoice variances.

FACT: Many suppliers who have supported Cargill's Meat and Corn Milling (Starches and Sweeteners) businesses have been paid via ERS (two doc match) for many years!

Advantages to using ERS:

- Purchasing transactions are closed more quickly.
- Suppliers on ERS receive on-time payments
- There are no price and quantity variances (exceptions) in Invoice Verification.
- Reduced operating costs through the elimination of:
 - Paper handling
 - Invoice handling
 - Exception handling
 - Invoice posting errors
 - Reduction of clerical costs for account reconciliation
- Increase reliance on system and processes – drives process compliance, and inquires to the buyers to resolve supplier non-compliance.
- Less cost to Cargill and Suppliers (eliminates invoice handling charges)

FACT: Suppliers who are paid via the ERS (two doc match) process receive payments on time a majority (90% +) of the time.

How does ERS work?

- A need is identified, and a requisition is generated, supplier is selected.
- Purchase Order (PO) is created.
- Supplier confirms receipt of PO including all charges and taxes.
- For Material Orders: The supplier delivers the goods to Cargill with a complete BOL/Packing slip, including Cargill PO #, material description, and quantity. If multiple orders are included in one shipment clearly note by line which PO # the item was shipped against.
- Service orders final settlement requires the supplier to provide FINAL COST by line item to their Cargill plant contact.
- Cargill enters GR/SES. The BOL/packing slip # or service completion document # are referenced on the receipt and will print on the payment remittance advice to aid in supplier payment application.
- SAP program runs on a daily basis, picking up all goods received against ERS Purchase Orders, and creates Self Billing Document.
- Within the normal payment terms (based on delivery date), Cargill will remit payment based on the self billing document.
- **FACT: Cargill has been using confirmation and goods receipts (two doc match) to generate payments successfully for over 20 years!!**

Identifying an ERS PO

- Same as two doc match
- Suppliers must confirm all pricing correctly and completely
- **Suppliers will not need to send invoices to Cargill**

FACT: Cargill requires a purchase order for all materials and services.

PO output form will display as follows when the order is ERS.

“Bill to” section is blank

Cargill

Sold-to
CARGILL, INCORPORATED
15407 MCGINTY ROAD WEST
WAYZATA MN 55391
USA

Vendor
[Redacted] COMPANY INC
[Redacted] 0-7199
USA

Order confirmations are required within 24 hours to the Cargill contact listed on this PO.

Bill to is Blank

PO Contact:
[Redacted] 18
[Redacted] com

Purchase Order
5500295535

DO NOT INVOICE CARGILL FOR THIS ORDER.
This is an Evaluated Receipt Settlement (ERS) Order.
Please review the order thoroughly and confirm as
this order will pay upon receipt of the Goods and/or Services.

SAMPLE ERS PO

PO Type – Service vs. Material

How to identify a Service order and what is required for Cargill to pay on time correctly

Cargill
CARGILL MEAT SOLUTIONS CORPORATION
PO Box 2519
WICHITA KS 67202
USA

Purchase Order Change
4503896878
DO NOT INVOICE CARGILL FOR THIS ORDER.
This is an Evaluated Receipt Settlement (ERS) Order.
Please review the order thoroughly and confirm as this order will pay upon receipt of the Goods and/or Services.
Order confirmations are required within 24 hours to the Cargill contact listed on this PO.

REQUIRED: Service completion documents or final price document should be submitted to the plant contact email per the instructions on the PO

Deliver To: NEWNAN GA US CSRDY 1017
CARGILL MEAT SOLUTIONS CORPORATION
33 DART ROAD
NEWNAN GA 30285-1017

Ship from:

Delivery Terms: DAP DESTINATION
PO Issue Date: 02/24/2017
MM/DD/YYYY
Currency: USD
Payment Terms: NET 60 DAYS FROM DATE OF INVOICE

Purchase Orders for SERVICES require written confirmation via email of all costs, including taxes, by line item.
Please send final price confirmation to your Cargill PLANT contact via email to SSPDodgeCity_KS@cargill.com.
Final price confirmation should be sent to the PLANT within 24 hours of completion of service to avoid delay in payment.
DO NOT SEND AN INVOICE to Cargill Financial Shared Services for this Purchase Order.

Line	Cargill Material	Purchase Contract	Delivery Date	Material Description OPC	UoM	Unit Price	Per Price	Extended Amount
10			02/28/2017	TECH SUPPORT	AU	1,000.00	1 AU	1,000.00
				Item Tax:		0.00		0.00
				Includes the following services:				
				CONTRACTOR EXPENSES	1.000	All	1.00	All 1,000.00
				Relevant Value				

For services or items that have variable cost (labor, rentals, custom parts or assemblies)

May also have material lines for materials used in the course of the service work.

Unit of measure on order will be AU OR Each



PO Type – Service vs. Material

How to identify a Material order and what is required for Cargill to pay on time correctly

Purchase Order

DO NOT INVOICE CARGILL FOR THIS ORDER. We will invoice the order through the Supplier Enablement (SES) system. We need to receive your order thoroughly and confirm it with you. Please provide a receipt of the Goods and/or Services.

Vendor: [Redacted]

PO Contact: [Redacted]

PO Issue Date: 03/10/2016

Material Description: BTL ASSY GEN 5LB KPT

Quantity: 800

Unit: EA

Unit Price: 1.000

Price: 0.00

Extended Price: 0.00

- Generally will have Cargill material # if inventoried or warehoused, along with vendor material #
- Unit of measure on order will be defined by the material (EA, #, set..ect)
- For tangible goods that have assigned value

REQUIRED: Confirmation of order including all costs prior to Cargill receiving the material.



Purchase Order Confirmations

FACT: The ERS PO is the instrument used to generate payment to the supplier – The PO must accurately represent what the supplier expects to be paid and any differences should be managed at time of PO confirmation with the Cargill contact listed on the PO

Items to confirm at time of order confirmation:

- Date when delivery will be received by Cargill plant
 - If delivery is Cargill planned transportation, date when material will be available for pickup and a pickup number
- Material
- Quantity
- Unit of Measure (UOM)- Must match PO
- Price stated on the purchase order
- Currency
- Confirmation of accurate tax amounts
- Delivery Terms (Incoterms)
- Any additional costs that are not part of the per unit cost need to be included in the confirmation (i.e. freight, handling, pallets, etc.)
- Ship-from address (also known as the goods supplier address)
 - You will need to review this address on each purchase order you receive, to ensure the address is the correct location that the product is shipping from, as it impacts tax determination.
 - If the material is being shipped from outside the country, please notify the PO contact before it is shipped.
- Note: there may be other special instructions listed on the PO

Cargill Purchase Order
306043283

ORDER PROVIDE CARGILL FOR THIS ORDER.
This is an Order/Invoice Statement (ERS) Order.
Please refer to the Order through email only.
This order will pay upon receipt of the Goods and/or Services.

Order confirmations are required within 24 hours to the Cargill contact listed on the PO.

To: CARGILL, INC. 2801 US HWY 101
CARGILL, INC. 2801 US HWY 101
CARGILL, INC. 2801 US HWY 101

Ship From: CARGILL, INC. 2801 US HWY 101
CARGILL, INC. 2801 US HWY 101
CARGILL, INC. 2801 US HWY 101

Delivery Terms: FOB
Incoterms: FOB
Currency: USD
Payment Terms: NET 30

Line	Material	Quantity	Unit	Price	Amount
10	100000000	100000000	EA	1.00	100000000.00

NOTE: All purchase orders require written confirmation (via e-mail) within one business day (24 hours) to the Cargill contact listed on the PO

Purchase Order Changes

NOTE: If purchase order changes are needed, it is the responsibility of the supplier to inform Cargill of them

If purchase order changes the heading will read **“Purchase Order Change.”** Please use the most current purchase order only.

Cargill
CARGILL, INCORPORATED
10000 W. 10TH AVENUE
DENVER, CO 80202

Purchase Order Change

Order confirmation are supplied with 24 hours to the Cargill contact listed on the PO

Order To: CARGILL INC 001001
CARGILL INCORPORATED
10000 W 10TH AVENUE
DENVER CO 80202

Ship To: [Redacted]

Industry Terms: FOB DEST
PO Number: 001001001
Customer: 0001
Payment Terms: NET 30 DAYS IN ADVANCE

REVISION REQUIREMENTS:
PLEASE PROVIDE ALL NECESSARY DOCUMENTS (SOL, COA, PACKED SLIP, ETC.)
PLEASE ADVISE CARGILL OF ANY CHANGES TO THE ORDER WITHIN ONE BUSINESS DAY OF RECEIVING THIS ORDER.
PLEASE NOTE THAT DELIVERIES ARE NOT GUARANTEED IF THE PURCHASER'S REQUIREMENT WILL BE SELECTED AT TIME OF ARRIVAL.

Line	Material	Quantity	Unit	Material Description	Quantity	Unit	Unit Price	Per Price	Extended Amount
10	100001001	10000	EA	100001001	10000	EA	1000	1000	10000000

NOTE: All purchase orders require written confirmation (via e-mail) within one business day (24 hours) to the Cargill contact listed on the PO

ERS Sample Forms

SAMPLE of the SAP Purchase Order form (header only):

PO output form will display as follows when the order is ERS.

“Bill to” section is blank



Sold-to
CARGILL, INCORPORATED
15407 MCGINTY ROAD WEST
WAYZATA MN 55391
USA

Purchase Order 5500295535

DO NOT INVOICE CARGILL FOR THIS ORDER.
This is an Evaluated Receipt Settlement (ERS) Order.
Please review the order thoroughly and confirm as
this order will pay upon receipt of the Goods and/or Services.

Order confirmations are required within 24 hours to the Cargill contact listed on this PO.

Vendor

[Redacted] COMPANY INC
[Redacted] 10-7199
USA

Bill to is Blank

PO Contact:

[Redacted] 18
[Redacted] com

Sample of SAP Self-Billing Document for an ERS enabled Canada business supplier:

The Self Billing document is generated by our system for SAP ERS orders when we receive a line in the system. The self billing document will be sent to the email address we have on a suppliers payment record. Cargill recommends that suppliers review the information on the self billing document for accuracy.

Cargill Self Bill Invoice

Self Billing Invoice	S200007561
Self Billing Invoice Date	09-Nov-11
Purchase Order number	4500258262
Sales Order Number	

CARRIER: [Redacted]
 VENDOR #: [Redacted]
 ADDRESS: [Redacted]
 PHONE #: [Redacted]
 FAX #: [Redacted]
 GST/HST: [Redacted]
 QST: [Redacted]

LEGAL ENTITY NAME: [Redacted]
 CARGILL PLANT NAME: [Redacted]
 ADDRESS: [Redacted]
 PHONE #: [Redacted]
 FAX #: [Redacted]
 GST/HST: [Redacted]
 QST: [Redacted]

DETAILED ITEMS

Ship date: 09-Nov-11
 Shipment number: 314853
 BOL Number: 2ALT00000166

Origin address: [Redacted]
 Destination address: [Redacted]

Product description	Quantity	Unit of measure	Price per unit	Total freight	GST/HST amount	GST/PST amount	Total remittance
BASE RATE - DISTANCE (LANE)	1.000	AU	230.25	230.25	29.93		260.18
FTL GLOBAL FUEL SURCHARGE	1.000	AU	32.24	32.24	4.19		36.43
Sub total	2.000	AU		262.49	34.12		296.61
Total CAD							296.61

Callout boxes:

- Cargill Purchase order number
- External document #
- Item description
- Line Value – verify correct and contact PO contact if not accurate
- TAX – verify correct and contact PO contact if not accurate
- Total of lines value – verify correct and contact PO contact if not accurate

Additional info – Self Billing document:

ACTION: If you are not receiving the self billing document – send an email stating this with up to 4 email address contacts to Supplier Relations.

ACTION: If identify a price or quantity discrepancy you can reach out to the Cargill contact or Supplier Relations (up to 120 days after payment) to inquire about. Please provide supporting documents (packing slips or order confirmations)

MARLBOROUGH MA 01752-3071

Credit memo Page: 1/1

Document no. / Date / Currency
 510590188 / 06/24/2015 / USD

Your order number is: Our ID number
 Our customer no. / year: Our ID number

Processed by: Your tax number
 Invoice no. / date
 Tax no. 34
 Email address: LKES@CARGILL-TRADING.COM

As agreed, we have settled the following goods and services and credited the amounts to your account in our company:

Item	Material	Description	Vendor material/ent. service entry no.
	EAN number	OR doc./Senc. / Item	
	Daily note /Ref./ of	Outline agent / Item	
	PO (SN) / Item		
	qty	Unit	Tax: Net value in USD

Settlement items for plant: LOOY, FORT WORTH US CVAM 1017, CARGILL MEAT SOLUTIONS CORPORA

Cargill Self Bill Invoice

Self Billing Invoice: 520007561
 Self Billing Invoice Date: 09-Nov-11
 Purchase Order Number: 4500258262
 Sales Order Number:

CARRIER: [Redacted]
 VENDOR #: [Redacted]
 ADDRESS: [Redacted]
 PHONE #: [Redacted]
 FAX #: [Redacted]
 GST/HST: [Redacted]

LEGAL ENTITY NAME: CARGILL PLANT NAME
 ADDRESS: [Redacted]
 PHONE #: [Redacted]
 FAX #: [Redacted]
 GST/HST: [Redacted]

DETAILED ITEMS

Ship date: 09-Nov-11
 Shipment number: 314853
 BOL Number: 2AL70000166

Origin address: [Redacted]
 Destination address: [Redacted]

Product description	Quantity	Unit of measure	Price per unit	Total freight	GST/HST amount	GSTPST amount	Total remittance
BASE RATE - DISTANCE (LANE)	1,000	AU	230.25	230.25	29.93		260.18
FTL GLOBAL FUEL SURCHARGE	1,000	AU	32.24	32.24	4.19		36.43
Sub total	2,000	AU		262.49	34.12		296.61
Total CAD							296.61

Wall Funnels
 / 06/24/2015 5015484320 / 0001
 1 EA IT 400,000.00
 400,000.00
 IT1) 400,000.00 33,000.00
 433,000.00

Related to 06/24/2015:
 within 30 days Due net

Staying Connected – Communication Channels

Cargill Contacts for Supplier Questions

- **Reach out to your buyer** Cargill buyer contact information should be on each PO or email authorizing the purchasing event. Suppliers should direct confirmations, questions, and/or information regarding a specific PO or purchasing event to the Cargill buyer contact for any purchasing event.
- **Supplier Central** The location to go for suppliers and internal stakeholders for information and process updates. We encourage suppliers to access the webpage on a regular basis so they can stay aware of changes and modify processes accordingly.
- **Supplier Relations** *The suppliers point of contact for all inquiries:* Past Due Payment status, copies of or questions relating to remittance notices, general inquiries, and to submit updated company information including address and contact information.

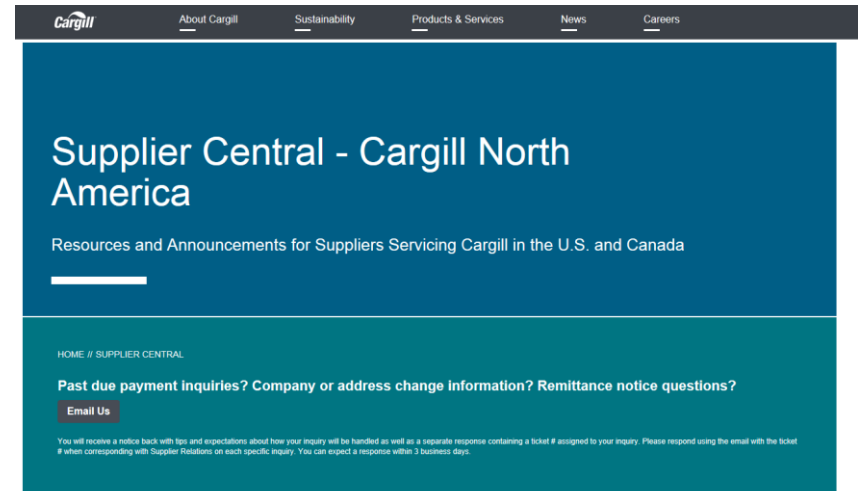
Supplier Central – Cargill’s one stop webpage for suppliers to get information!

Supplier Central (<http://www.cargill.com/suppliercentral/>)
Covers frequently asked questions and all payable questions.

- How to submit an invoice
- How to receive Electronic Payments and Electronic Remittance Notices
- Sample Remittance Notices and Instructions
- Quick Links to important Cargill webpages for Suppliers

TIP:

Go to Supplier Central to answer your questions – content is being updated frequently!

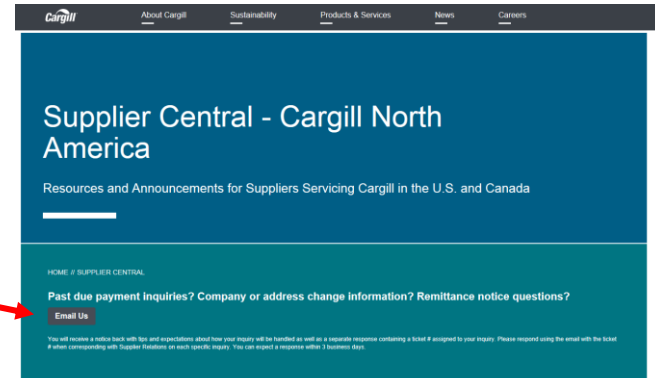


Supplier Relations

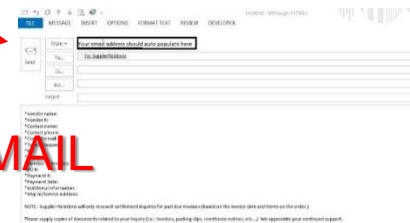
Cargill NA supplier point of contact for all inquiries

How to submit an inquiry to Supplier Relations:

- Go to Supplier Central and use the Supplier Relations contact link
- Supplier Relations contact link will create an email to Supplier Relations with auto populated information
- Fill in the information on the auto-populated email as completely as possible attaching all support documents to email so Supplier Relations can respond to your inquiry efficiently.



SAMPLE EMAIL



NOTE: Email is the recommended communication channel for all inquiries to Supplier Relations