

Beyond the Standard Invoice Taming Your Toughest AP Challenges with Automation

In Accounts Payable, the routine sounds simple. A purchase is made (with or without a Purchase Order) and the purchase arrives along with a corresponding supplier invoice. If a PO was issued, the supplier's invoice is matched against the PO and the receiver document, and the supplier is paid. If a PO wasn't issued, an approver approves the invoice based on the receiver document and the supplier is paid. It's a clean, efficient process, right? Well, if you're familiar with most AP departments, you might be thinking, "Not so fast!"

The reality is that invoices in big companies and enterprises are complex documents that require equally complex AP business processes. Validation and matching require the involvement of multiple stakeholders and multiple file or data systems, including the enterprise ERP. Complex business rules and approval workflows add additional roadblocks.

Many businesses are turning to AP automation to cut through the complexity, shorten processing cycles, and dramatically reduce the costs associated with processing invoices. But the effectiveness of AP automation varies significantly, and this is particularly evident in a solution's ability to handle non-standard invoices. Knowing what to look for in an AP Automation solution that maximizes straight-through processing, streamlines exception handling and approval processing workflows, and effectively manages non-standard invoices is critical to generating the ROI your stakeholders expect.

The Challenge of Processing Non-Standard Invoices

For many organizations, "special" invoices—lump sums, retainage, freight charges, progress billings, utilities, expense reports, and more—are the true roadblocks to AP efficiency. These non-standard documents can't be processed with simple three-way matching. They require complex, often manual, handling that drains time, introduces errors, and prevents the AP department from reaching its full potential.





The Hidden Costs of Manual Exception Handling

Manually processing these complex invoices is costly. **AP teams spend countless hours on:**

» **Chasing Approvals:**

Non-PO invoices, like those for utilities or software subscriptions, often require a unique approval path. This can involve manually routing documents and following up with approvers, leading to significant delays.

» **Complex Matching:**

A freight invoice, for example, may need to be matched not only to a PO but also to a bill of lading or proof of delivery. This multi-document validation is tedious and prone to human error.

» **Managing Retainage:**

Tracking retainage releases on a project can be a nightmare. Manual spreadsheets and calendars are unreliable, leading to missed payments or compliance issues.

» **Data Entry Errors:**

The complexity of these invoices increases the risk of manual data entry mistakes, which can lead to overpayments, underpayments, and reconciliation headaches.

These inefficiencies do more than just slow down the AP process; they also lead to missed early payment discounts, strained vendor relationships, and a lack of real-time financial visibility.



Automation That Handles Exceptions

The key to overcoming these challenges isn't just basic automation—it's **advanced AP automation designed to handle complexity.**

A robust solution provides the tools to manage these exceptions without manual intervention, transforming your AP department from a cost center into a strategic asset.

A top-tier AP automation solution will empower your team by offering:

» **Intelligent Capture and Extraction:**

AI-enabled Intelligent Capture technology can read and interpret complex invoice layouts, automatically classify invoices, and identify and extract data for processing. It understands the context of the document, not just the text.

» **Automated Multi-Document Matching:**

The solution can use AI agents to automatically match invoices against multiple related documents, learn from past transactions to increase straight-through processing, apply tolerances to reduce exceptions, and flag only the exceptions that require a human's attention.

» **Flexible Workflow Automation:**

Invoices that fall outside of acceptable tolerances can be automatically routed to the correct approver based on the vendor, amount, or other predefined rules, eliminating the need for manual routing.

» **Automated Alerts and Escalations:**

The solution can track every invoice through all stages of processing and generate alerts and escalations that ensure timely processing, avoid late penalties, and capture early payment discounts.

» **Advanced ERP Integration:**

All these features are only achievable as a result of advanced ERP integration that communicates with the ERP in real-time, enables the solution to write data directly to the ERP, and automates the process from end-to-end.

This level of automation empowers AP teams to move beyond data entry and focus on higher-value tasks, like financial analysis and strategic planning. It provides the real-time visibility and control needed to manage every invoice, regardless of its complexity.

Unplanned charges on invoices are additional charges that are not found in the original Purchase Order. These charges may include taxes, freight, fuel surcharges, pallet charges, and even tariffs. In manual processes and many automation solutions, these unplanned charges are flagged as exceptions that require additional manual processing, including manual coding or additional approvals.

247 Water Street
Wakefield, PA 01880
P. (717) 295-9931

Invoice Number: 345798
Customer PO: 6151
Invoice Date: 9/3/2025
Due Date: 10/3/2025

Billing Address		Shipping Address	
Company	Eastern Manufacturing Plant	Company	Eastern Manufacturing Plant
Contact	Paul Howard	Contact	Paul Howard
Address	2852 Belle Road	Address	2852 Belle Road
City/State/Zip	Memphis, TN 37504	City/State/Zip	Memphis, TN 37504

PO #	Qty	Item #	Description	Unit Price	Amount
6151	100	2001	Cro-Moly Frame, Red	1.00	100.00
6151	100	2002	Cro-Moly Frame, Two tone	150.00	15,000.00
6151	100	2003	Cro-Moly Frame, Green	150.00	15,000.00
				SUBTOTAL	30,100.00
				TAX	1,806.00
				SHIPPING	345.00
				TOTAL	32,251.00

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Figure 2 shows how the unplanned tax charge, captured and identified in IntelliChief, can be added in the ERP (**Figure 3**) so the invoice can be successfully matched. IntelliChief AP Automation can be configured so that unplanned charges within pre-defined tolerances can be handled automatically without requiring human intervention. The new charge is automatically assigned to the correct GL account or cost center. Unplanned charges that exceed tolerance are assigned to advanced workflows that transmit specific instructions along with the required information to approvers while IntelliChief monitors progress to expedite processing.

Matched Invoices Lines 5 Coded Charge Lines 2 Unmatch										
<input type="checkbox"/>	Li...	Line PO	Line Number	Adj Item	Description	Adj Qty	Adj Price	Line Amount	Match Qty	Li... Match
<input type="checkbox"/>		6151	1	2001	Cro-Moly Frame, Red	100.00	1.00	100.00	100.00	Auto
<input type="checkbox"/>		6151	2	2002	Cro-Moly Frame, Two	100.00	150.00	15,000.00	100.00	Auto
<input type="checkbox"/>		6151	3	2003	Cro-Moly Frame, Green	100.00	150.00	15,000.00	100.00	Auto
<input type="checkbox"/>				*Freight	Shipping & Handling	1.00	345.00	345.00	1.00	GL
<input type="checkbox"/>				*Sales Tax	State Sales Tax	1.00	1,806.00	1,806.00	1.00	GL
								Dist Amt: 32251.00 Inv Amt: 32251.00 Difference: 0.00		

Figure 2

Invoice Number	345798	Voucher/ Ty/ Co	5776	PV	00200
Gross Amount	32,251.00	Payment Terms	001	Payment Inst	
Tax Amount		Company	00200	Batch Number	12138
Taxable Amount		Invoice Date	09/03/2025		
Retained Amount		G/L Date	09/04/2025		
Currency	USD	Exchange Rate		Base	USD <input type="checkbox"/> Foreign

Records 1 - 5									
<input type="checkbox"/>	<input type="checkbox"/>	2nd Item Number	Account Number	Amount Matched	Quantity Matched	UM	Order Number	Or Ty	Ln Ty
<input checked="" type="radio"/>		2001		100.00	100	EA	6151	OP	S
<input type="radio"/>		2002		15,000.00	100	EA	6151	OP	S
<input type="radio"/>		2003		15,000.00	100	EA	6151	OP	S
<input type="radio"/>			D30.6040	345.00		EA	6151	OP	J
<input type="radio"/>			D30.6350	1,806.00		EA	6151	OP	J

Figure 3

Retainage Invoices

The example in **Figure 4** shows an example of a retainage invoice. This is often found in construction contracts and occurs when a portion of payment is withheld until certain conditions are met, or the project is completed. In some cases, a lien release or waiver is required for the payment to be released.

Eckles Construction, Inc.
8907 WARNER AVENUE, SUITE 239, HUNTINGTON BEACH, CA 92647

INVOICE

TO: Eastern Manufacturing Plant
2852 Southern Belle Road
Memphis, TN 37501

INVOICE # **3721888**
DATE **5/14/2022**
Their Job # **7675**

Project: Pressure Control Plant

PLEASE REFERENCE INVOICE NUMBER ON YOUR CHECK – PAYABLE

DESCRIPTION	RETENTION	
CONTRACT AMOUNT		\$50,000.00
ENGINEERING	\$50,000.00 100%	\$50,000.00
GROSS TOTAL		\$50,000.00
PREVIOUS PAYMENTS		\$45,000.00
PREVIOUS BILLINGS		\$ -
OWING		\$5,000.00

**CONDITIONAL WAIVER AND RELEASE
UPON FINAL PAYMENT**

NOTICE: THIS DOCUMENT WAIVES THE CLAIMANT'S LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS EFFECT ON RECEIPT OF PAYMENT. A PERSON SHOULD NOT RELY ON THIS DOCUMENT UNLESS SATISFIED THAT THE CLAIMANT HAS RECEIVED PAYMENT.

Name of Claimant: ECKLES CONSTRUCTION INC
Name of Customer: Eastern Manufacturing Plant
Job Location: 2852 Southern Belle Road Memphis TN 37501

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. This document is effective only on the claimer's receipt of payment from the financial institution on which the following check is drawn.

Maker of Check: Eastern Manufacturing Plan
Amount of Check: \$5,000.00
Check Payable to: Eckles Construction Inc.

Exceptions:
This document does not affect any of the following:
Disputed claims for extras in the amount of: \$ 0.00


Figure 4

Then, the retainage invoice is submitted for the balance due.

IntelliChief captures and classifies both the invoice and the supporting document – in this case, the Conditional Waiver and Release. Retainage amounts are matched to the PO, the required waiver and release documentation are verified as specified in the workflow to meet the business rules, and the invoice is automatically vouchered for payment in the ERP without any human work required.

Non-PO Invoices

Another common type of non-standard invoice is a non-PO invoice. Examples of non-PO invoices include utility invoices, rent payments, property services, and software licenses. These invoices pose challenges because they often require allocation across multiple departments, cost centers, buildings, or projects. There may be limited supporting documentation. The invoices may include prior month adjustments, late fees, or credits that require verification against historical usage. And the invoices are often recurring with a variable amount invoiced each period. An example is shown in **Figure 5**.



PO BOX 489
8023 State St
Chicago, IL 60601

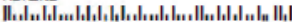
Manage Your Account

b2b.verizonwireless.com

Change your address at
http://sco.verizonenterprise.com

Account Number	Date Due
2038026-0000	03/12/2025

Invoice Number
2857435

KEYLINE



Universal INC
Joe Smith
8800 N CENTER DR
STE 350
Winter Springs, FL 85258-2124

Quick Bill Summary Jan 11 – Feb 10

Previous Balance (see back for details)	\$410.44
Payment – Thank You	-\$410.44
Balance Forward	\$0.00
Monthly Charges	\$327.48
Usage and Purchase Charges	
Voice	\$0.00
Surcharges	
and Other Charges & Credits	\$62.30
Taxes, Governmental Surcharges & Fees	\$19.58
Total Current Charges	\$409.36

Total Charges Due by August 02, 2021 \$409.36

Pay from phone	Pay on the Web	Questions:
#PMT (#768)	At b2b.verizonwireless.com	1.800.922.0204 or *611 from your phone



Universal INC
Joe Smith
8800 GAINES CENTER DR
STE 350
Winter Springs, FL 85258-2124


Bill Date March 10, 2025
Account Number 2038026-0000
Invoice Number 988389119

Total Amount Due by April 02, 2025

Make check payable to Verizon Wireless.
Please return this remit slip with payment.

\$409.36

\$.

PO BOX 660155


In IntelliChief AP Automation

Coded Charge Lines 4		↑ Unmatch		
Adj Item	Description	Line Amount	GL Account	GL Description
*Charge Line	Non-PO	102.34	115.8125	Utility Expense
*Charge Line	Non-PO	102.34	4.8441	Distributed General Expense
*Charge Line	Non-PO	102.34	110.8118	Miscellaneous Pay
*Charge Line	Non-PO	102.34	40.1720.B2	Setup

In the ERP

Document No/Typ/Co	5778	PV	00001	Batch Number	12141
Supplier	60097	Explanation	Verizon		
G/L Date	03/12/2025				
Currency	USD	Exchange Rate		Base Currency	USD <input type="checkbox"/> Foreign
Records 1 - 5					
<input checked="" type="radio"/>	Account Number *	Amount	JE Line Number	G/L Date	Co
<input checked="" type="radio"/>	115.8125	102.34	1.0	03/12/2025	00001
<input type="radio"/>	4.8441	102.34	2.0	03/12/2025	00001
<input type="radio"/>	110.8118	102.34	3.0	03/12/2025	00001
<input type="radio"/>	40.1720.B2	102.34	4.0	03/12/2025	00001

Figure 6

Tolerances and validation of invoice amounts can be pre-established in advance and IntelliChief AP Automation can learn to automatically distribute the total across hundreds of GL accounts and calculate the dollar amount of the distribution based on a defined percent allocation as shown in **Figure 6**. Configurable workflow routing ensures all approvals are obtained prior to automatically validating and vouchering the invoice for payment in the ERP.



Choosing a Solution That Goes **Beyond the Standard**

In this article, we've demonstrated just a few of the many non-standard invoices that IntelliChief AP Automation can handle with little or no human assistance to process straight-through.

When evaluating AP automation, don't settle for a solution that only handles the easy invoices where everything matches exactly to the details in your ERP system, because that seldom occurs. Look for an automation platform that seamlessly integrates with your existing ERP system, has AI agents to learn your processing rules and is built to handle the unique challenges of your business, including handling non-standard invoices. The right solution is the one that turns your most difficult invoice types into a touchless, efficient, and resilient process that allows your AP staff to focus on more important tasks. Don't let complex, non-standard invoices hold your business back any longer.



Ready to get started?

Contact IntelliChief for a customized demo of our advanced AI-Enabled AP Automation solution and learn how you can transform your business.

About IntelliChief

IntelliChief provides an AI-enabled HyperAutomation platform that integrates with enterprise-class ERP systems to streamline business operations for accounts payable, accounts receivable, sales order management, human resources, and any business process that requires humans to analyze and process unstructured information. By robotically capturing, validating, analyzing, entering and processing data directly into an ERP, IntelliChief enables companies to reengineer mission-critical business processes for touchless processing and maximum efficiency that leads to reduced costs and process improvements.



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