

Automated Invoice Matching in NetSuite (v2.4)

Article Owner	Finance Systems & Operations
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Applies To	Accounts Payable team and Finance Managers
Platform	NetSuite ERP (v2.4 – April 2026 release)
Related Article	Accounts Payable Processing SOP Vendor Invoice Requirements

What's New: NetSuite v2.4 introduces automated three-way invoice matching for purchase orders, goods receipts, and vendor invoices. This feature is now live for all AP users.

What Changed and Why

Previously, accounts payable staff were required to manually compare each vendor invoice against its corresponding purchase order (PO) and goods receipt note (GRN) – a process that was time-consuming and prone to human error. With the v2.4 release, NetSuite now performs this three-way match automatically when an invoice is received and recorded in the system. This change is expected to reduce average invoice processing time by approximately 40% and significantly reduce the volume of payment errors and duplicate payments.

What Is Three-Way Matching?

Three-way matching is a verification process that cross-references three documents before approving a vendor invoice for payment:



New Feature Release

Document	Created By	Purpose
Purchase Order (PO)	Procurement / Requestor	Authorizes the purchase and sets agreed price and quantity
Goods Receipt Note (GRN)	Warehouse / Operations	Confirms goods or services were received
Vendor Invoice	Vendor / Supplier	Requests payment for goods or services delivered

Old Process vs. New Process

Before (Manual)	After (Automated – v2.4)
AP staff manually pulled PO and GRN records	System auto-retrieves matching PO and GRN on invoice entry
Line-by-line comparison completed in a spreadsheet	Automated comparison runs in real time upon invoice save
Discrepancies flagged via email to Procurement	Mismatches trigger an automated workflow with alert notifications
Average processing time: 18 minutes per invoice	Average processing time: under 5 minutes per invoice
Manual approval routing via email	Automated approval routing through NetSuite workflow

What This Means for Your Daily Workflow

For most AP team members, the core invoice entry process remains the same. The key differences are:

- Matched invoices will move to the approval queue automatically – you no longer need to manually initiate the approval routing.
- The Invoice Record page now displays a new Matching Status field showing: Matched, Partially Matched, or Mismatch Detected.
- For invoices that are fully matched, no additional review is required unless the amount exceeds the auto-approve threshold (currently set at \$5,000).

What Happens When a Mismatch Is Detected

If the system identifies a discrepancy between the invoice, PO, and GRN, the following occurs:

1. The invoice is placed in a Pending Review status and will not proceed to payment.
2. An automated notification is sent to the AP processor and the relevant Procurement contact.
3. The AP processor reviews the discrepancy details shown in the Matching Exceptions panel on the invoice record.
4. If the discrepancy is a valid vendor error, the invoice is returned to the vendor for correction.
5. If the discrepancy is an internal data issue (e.g., incorrect GRN quantity), the AP processor coordinates with the relevant team to correct the source record.
6. Once resolved, the invoice can be re-submitted through the standard approval workflow.

Note: Do not manually override a Mismatch Detected status without Finance Manager approval. All overrides are logged for audit purposes.

Training and Support

A live walkthrough session for the AP team has been scheduled for April 28, 2026 at 10:00 AM via Zoom. Recording will be available on the Finance team's SharePoint page after the session.

- Questions or issues during rollout: #ap-netsuite-rollout on Slack
- Submit feedback or bug reports: finance-systems@company.com
- NetSuite Help Documentation: netsuite.yourcompany.com/help