



Northrop Grumman
2980 Fairview Park Drive
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northropgrumman.com

June 17, 2020

To: Northrop Grumman Supplier
Attention: Accounts Receivable
Subject: Evaluated Receipts Settlement (ERS)

Effective July 6, 2020, Northrop Grumman Corporation (NGC) Missions Systems Sector, is expanding its Evaluated Receipts Settlements (ERS) process, where vendors, such as yourselves, will be paid for MS **standard material** purchase orders upon official receipt of the goods across the NGC receiving dock, and after data entry into the company accounting system. Invoices for these standard material orders will no longer be required.*

Instead, your packing slip will become very important in the ERS process; not only for Mission Systems to accurately receive your shipment, but also for you to be accurately paid. The packing slip/bill of lading number will replace invoice numbers. The packing slip must contain the following: packing slip number, purchase order number, purchase order line item, supplier (vendor) number, part number, and quantity. If a lot number is associated with the material also include the lot# and Date code on the packing slip.

Payments will be calculated based on the date the goods are received and according to the agreed upon purchase order price and payment terms. It is important that your shipments match the line items, part numbers, and descriptions as stated in the purchase order.

Freight or installation type charges are not allowed in this process because they cannot be "received" electronically. Reference the shipping instructions on your purchase order as well as the NGC [OASIS](#) website for transportation guidance.

Accounts Payable (AP) will not honor invoices for ERS eligible purchase orders; therefore, invoices sent will be destroyed.

The NGC Accounts Payable Department will monitor your account for prompt and timely payments. If you have concerns regarding payments or need reconciliation, it is recommended you have statements available identifying your activities for each purchase order. Northrop Grumman Corporation cannot resolve payment issues without copies of the invoice for AP to research: include PO number, date of invoice, line number and dollar amount.

To submit an invoice inquiry, please use the contact information below. Once submitted, you will be provided with a ticket number.

The invoice submission email address: <https://oasis-vendorinquiry-plte.myngc.com/>

Although statements for monitoring will be sent to AP, our Procurement department will remain responsible for resolving your issues and concerns relating to the Evaluated Receipts Settlement process; therefore, please contact your buyer when you have problems relating to ERS payments.

With the expansion of the ERS process we look forward to being able to serve you in a timely and efficient manner. Please note this does not change payment instructions on existing purchase orders. It only applies to orders and modifications issued on or after **7/06/2020**.

Thank you in advance for your support and cooperation.

Regards,

**Accounts Payable and Global Supply Chain
Northrop Grumman Corporation**

****Invoices will NOT be required for standard material purchase orders. Invoices will remain required for all other purchase order types including services, cost-plus, milestone, progress pay, international, and all other non-standard material orders. Reference the text on the purchase order for the specific invoice requirements.***