

Addendum for IPMA PMO

This addendum accompanies the textbook *Project Management Based on ICB Version 4*, Fifth, Completely Revised Edition.

One topic is missing from the IPMA textbook for the IPMA PMO certification. This topic is a learning outcome for IPMA PMO Levels D, C, and B

| Chapter | Topic | B | C | D |
|---------|------------------|---|---|---|
| 5.07 | Accounts Payable | ● | ● | ● |

Liability Management

A liability management system is a system in which all financial liabilities of an organization or project are recorded and managed. The goal is to provide insight into which liabilities have been incurred, which invoices have been received for them, and when they are due.

Key features:

- *Recording of commitments* – all agreements leading to future payments, such as contracts and purchase orders, are recorded and linked to budget items.
- *Recording of received invoices* – all received invoices are linked to the relevant commitments and checked for accuracy.
- *Recording of payments* – all payments are linked to the corresponding invoices.
- *Monitoring of payment terms* – invoice due dates are monitored to ensure timely payment.

All obligations are tracked in an obligations register. By providing a complete overview of paid, outstanding, and incurred obligations, the obligations administration helps prevent unexpected expenses, duplicate payments, and late payments. In addition, it supports effective budget management, reliable cash flow planning, and an optimal liquidity position.

Editorial

Project management based on ICB version 4