

DIRECT PAYMENTS

(ACH TRANSFER MODULE)

Direct payments is an add on module to utility billing that allows customers to pay their utility bill by a recur ACH payment. Please note that the term ACH (Automatic Clearing House) and DP (Direct Payments) are used interchangeably. They both refer to the same context: WinUB Direct Payments.

Direct Payments contain these main parts:

- Gathering Information
- Setup
- Routine Direct Payment Cycle
- Transaction Reversal (optional)
- Accounts Maintenance

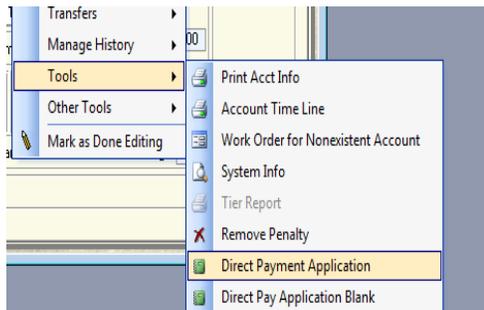
Gathering Information

Step 1 - Customer Accounts

You will need the following information for each customer ACH account record:

- Bank Name
- Bank Routing ID
- Bank Account Number
- Account is Checking or Savings

The utility billing software has two different forms that can be printed to gather the above information from your customers. To access these forms, right click in the top right corner where it says click here for more options. From the menu, select tools and then Direct Payment Application. **The Direct Payment Application** is relevant to the account this is pulled up on the account screen and fills in information like the customer utility account number, name, and address. The other option, **Direct Payment Application Blank**, is used if you want to print off multiple copies of a blank form to send out initially to all customers.



Setup Customer Accounts

Once the bank information has been gathered from the customer you are ready to begin entering that into the utility billing software. From the main account screen right click and choose setup, then **account ach setup**.

Customer's Bank Name	Routing Number	Bank Account Number	Checking or Savings	% or Amount of Remaining	Amount to be Withdrawn	Sequence
Liberty Bank	787653768	8878476738	Checking	100.00%		1
*						

Begin by clicking the direct pay box to there is a check mark. The transferred amount, unallocated, and ACH group code can be ignored.

Customer Bank Name: Ten character field. For informational purposes only. Not used in Transfer File.

Routing Number: Eight digit field identifying the customer's Bank Routing Number. Must fill in all eight digits. Required for transferring.

Bank Account Number: Enter customer's bank account number. Dashes (-) and spaces are permissible.

Checking or Savings: Enter whether the customer's direct payment is to be taken from checking or savings account.

% or Amount of Remaining: Enter the flat amount or a percentage of the total Billing Amount to be transferred automatically each time. The default is 100.00 percent.

Amount to be Withdrawn: Most of the time this field will not be filled in unless the customer has stated they want for example \$200 to be withdrawn each month. Most customers will use the 100% method to just pay amount owed each month.

OK to pay more than due: only used when specifying an amount to be withdrawn that is more than the customer owes.

After this information is entered, simply look up the next account in the drop down for the account number or name. The information is automatically saved.

(You can also simply access the ACH screen of an account by looking up the account, then clicking on the misc tab, check the direct pay box, then click on direct pay info. This way is good if there is only one customer that you are entering ach information for)

NOTE:

You can split the bill amount to be paid from more than one bank account. Enter the other accounts following the first on the subsequent rows in the window using the same format. The total Bill Amount is applied (by fraction or whole depending on the way you setup) to the bank accounts in the order they appear - first account first. Suppose you have two accounts. The first one is setup to take 60% of the total Bill Amount. The second is 40% of the "total". Then they should have the following information in these columns:

Before entering your % or amount you must first select what type of entry it is. So, click on the drop-down arrow next to the field and select whether it will be a % type or currency type entry.

<u>Account No.</u>	<u>% or Amount of Remaining</u>
account #1	60.00
account #2	100.00

The second account show 100% ? What this says is that it takes 100% of the "rest" of the bill!

Here is another example. Let the first account take a flat amount of \$20.00, no mater how much the bill is. The second takes the rest of the bill. Then you should set them up as follow:

<u>Account No.</u>	<u>% or Amount of Remaining</u>
account #1	20.00
account #2	100.00

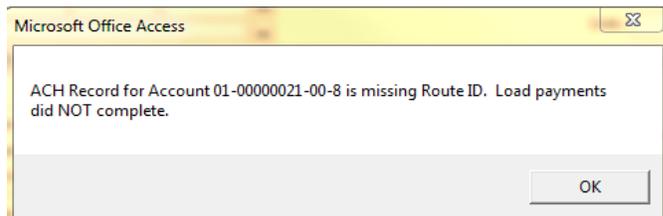
What if the bill is less than \$20.00 you ask? In this case, the first account takes whatever the bill amount is. Whereas the second account does not pay at all.

To exit the Bank Information window, Click on the X box in the upper right hand corner of the window.

Step 2 -Setup Company Account (this can be done while waiting on customers to submit their information back to you)

You will need to provide information regarding your organization's bank account and destination of transfer files, select what printer to use for reports and select the location of your communication program and modem (optional).

To do this, you must right click on the Account Screen, select transfers, then direct payment transfer. If it is found by the system that there is missing information on an Account or Customer, your system will warn you. To correct, go back to the account direct payment info screen and make the required changes.



If all cells have been entered, then you may select the **Setup Main ACH Account** button in the bottom left to display the below screen.

ACH SETUP

ACH file produced by BDS is in accordance with the NACHA specification and widely used by all banks. Your ACH setup can vary significantly depending on how the direct transfer of ACH information is made from your bank to the Federal Reserve, and also on the type of software your bank is using to read/process the file.

For most part, the difficulty is to figure out which ID goes where. To begin with, let's square off the simple information first. There are 3 names under the **ACH Routing Name** column, on same line as box ❶, enter the name of your bank; on line ❷, leave it as "FED RESERVE"; on line ❸, enter the name of your entity.

In the middle section of the screen check "Include Debit Record" and provide your Checking/ Savings Account; don't check "Append Trailing Blanks"; leave Header Record empty; and use "1" for File ID.

	Routing ID	ACH Routing Name
Immediate Origin (bank ID and name)	❶	BANK NAME
Immediate Destination (federal reserve info)	❷	FED RESERVE
Company (bank ID and city name)	❸	CITY NAME
Originating DFI (first 8 digit of bank ID)	❹	

Include Debit Record Payroll Account UNKNOWN Note DEBITS
 Append Trailing Blank Records to Make Up Block of 10 (optional)
Header Record (connection info, optional) _____
File or Batch ID (require A, B or 1) 1

Default ACH File Name C:\ACH.TXT
Default Report Printer (none) [v]
File Transfer Program (none) [Locate](#)

Your bank will provide you all required Routing IDs. Of those, one must be the Federal Reserve Routing ID (different from your Federal Tax ID – sometimes used). Another must be its own Routing ID. Thus, there are at least 2 IDs, most of the time 3, and rarely 4. At minimum, know which one is the Federal Reserve ID, and which one is your bank's ID.

All IDs must be either 9 or 10 digits long. Enter all digits, except for box ❹ which can take only the first 9 digits. Boxes ❶ & ❷ will automatically flush right, leaving a leading space if there are only 9 digits.

The Federal Reserve ID always goes to box ❷. Nearly all the time, box ❹ is the same as box ❶. So there are really only 2 boxes (❶ & ❸) to worry about.

If there are only 2 IDs, the Federal Reserve already goes to ❷, the other ID goes to ❶, ❸ & ❹.

If you are given 2 additional IDs besides the Federal Reserve ID, the one that goes to box ❸ is your bank's own routing ID (or your Federal Tax ID if asked to be used); the other goes to box ❶.

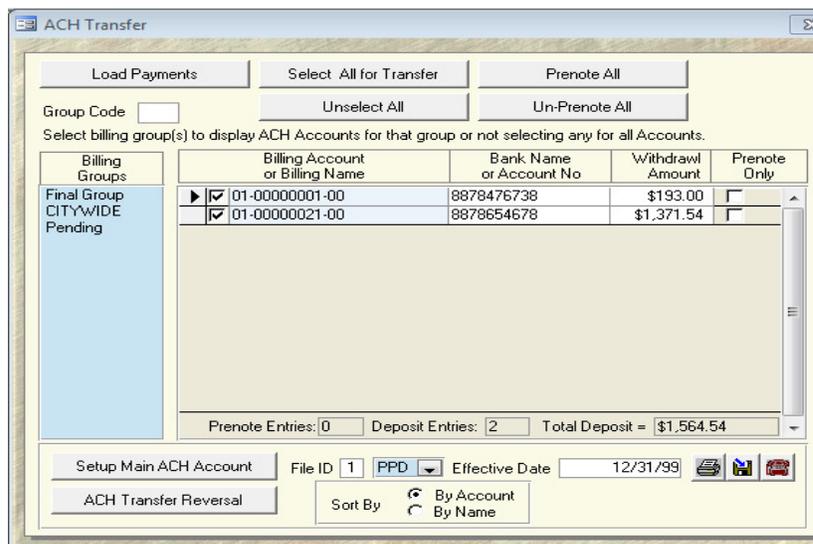
Default ACH File Name: Example c:\EntityNameACH.txt (this is the name of the file that will be emailed or uploaded to your bank.

Step 3 -Create Prenote File

Before your bank can withdraw money out of your customers' bank accounts, it needs to verify if the provided information about the ACH accounts are correct. This process is called Pre-notification.

You are required to provide the bank a Prenote File for all new ACH accounts. This file is created from the ACH Transfer screen (right click, transfers, ach transfer). Click the prenote all button on the top right and all customers will be checked. Then click on the save (diskette) icon on the bottom right. The file is then ready to be transferred to your bank. The file was saved to the specified location (setup main ACH account). Browse for that file to email or upload to your banks website.

The prenote only needs to be generated for accounts one time. If a new account signs up the next time, simply come into this screen and just check the prenote box by that customer and you can send just that account to the bank as a prenote.



The screenshot shows the 'ACH Transfer' window. At the top, there are buttons for 'Load Payments', 'Select All for Transfer', 'Prenote All', 'Unselect All', and 'Un-Prenote All'. Below these is a 'Group Code' field and a note: 'Select billing group(s) to display ACH Accounts for that group or not selecting any for all Accounts.' The main area is a table with columns: 'Billing Groups', 'Billing Account or Billing Name', 'Bank Name or Account No', 'Withdrawal Amount', and 'Prenote Only'. The table contains two rows of data, both with checked boxes in the 'Prenote Only' column. Below the table, there are fields for 'Prenote Entries: 0', 'Deposit Entries: 2', and 'Total Deposit = \$1,564.54'. At the bottom, there are buttons for 'Setup Main ACH Account', 'ACH Transfer Reversal', and a 'Sort By' dropdown menu set to 'By Account'. There are also icons for printing and saving.

Billing Groups	Billing Account or Billing Name	Bank Name or Account No	Withdrawal Amount	Prenote Only
Final Group CITYWIDE Pending	<input checked="" type="checkbox"/> 01-0000001-00	8878476738	\$193.00	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/> 01-00000021-00	8878654678	\$1,371.54	<input checked="" type="checkbox"/>

After a Prenote File is created, it is given a batch number unique for the day. The first batch is 1.

The Transfer amount is always zero for a Prenote File.

NOTE: You can create as many as 38 Transfer Files on a given day. If you can delete some of the files on the same day, you can create over 38 files. All files created on the say day share a similar name - only the Batch Name part is different. This is discussed in the Transfer File section of this document.

If you want to see a print out of the prenote file, simply click the printer icon on the bottom right.

After the prenote file is created and sent, make sure you click the UN-PRENOTE ALL button so the accounts are not checked for prenote.

Routine Direct Payment Cycle

Only after the Prenotification process, an ACH account is allowed to have money withdrawn automatically.

Step 1 - Load Payments

After bill calculation and bills have been printed, right click on the account screen, choose transfers, then direct payment transfer. To begin, make sure all the accounts DO NOT have a check mark in the prenote column. If they do, click the **UN-PRENOTE ALL** button on the top right.

Next, highlight the billing groups on the left side and then fill in the effective date for the money to be withdrawn from the customer's bank account. Next, click on the **select all for transfer button** on the top.

Effective Date: The file can still be sent to the bank earlier, but the bank will not withdraw the money until the effective date. *Please note if your billing groups are billed at different periods, only create the file for one billing group at a time.

Next, click on the load payments button to refresh and load the current balances

**If you want balances loaded automatically upon entering the screen each time, click on tools, setup options, and then ub options. Next, click on options tab and under misc options check the box that says "auto load direct payments"*

***Either the utility billing account number or name can be displayed. To toggle between the two options, click on the heading to switch the display. The same can be done on the next column to display bank name or bank account number.

Step 2 - Edit Payments (Rarely done as software defaults to full amount due)

If you need to withdraw a different amount, simply click in the dollar amount column for a customer and enter an amount to withdraw.

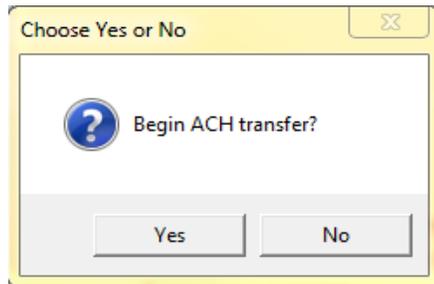
Removing an account from the transfer list

If you do not want to include a certain ACH record for an account in the current batch of transfer, simply uncheck the box by the utility account number or name.

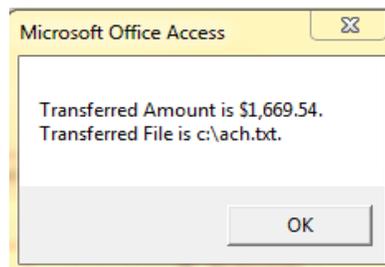
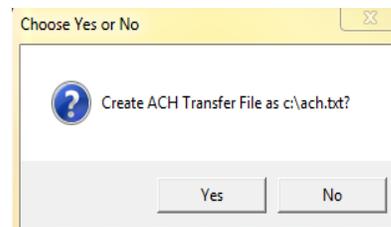
Step 3 - Transfer Payments

Once the Billing Information has been loaded and verified for correctness, as in steps 1 & 2, you need to transfer the information to your bank. This process requires the creating of the Transfer File and then the actual transferring of the file.

To create a Transfer File click on the **save/diskette** option on the bottom right and click yes.



Next, click yes on the create transfer file.



The next message will verify that the file was created and notice the file location and name. In this example it is c:\ach.txt

So, on the c: there is a file sitting there called ach.txt and that file is then emailed or uploaded to the banks website.

The file name and location are talked about on the ACH Setup section of this manual.

Step 4 - Receipt Transfer

Once the Transfer File has been sent, the program automatically creates a receipt batch with the direct payment entries. Right click on the Account Screen and click on Receipt Entry and find the batch waiting there. You can now edit, print, and post the batch like a normal receipt batch.

DO NOT POST THE BATCH IF BILLS HAVE NOT BEEN PRINTED YET. WAIT TO POST UNTIL THE BILLS HAVE BEEN PRINTED.

*Most entities will let this batch sit in the unposted area until the effective date has arrived.

You now completed the Routine Direct Payment Cycle.

Accounts Maintenance

The Accounts Maintenance Process involves the following common tasks: add new ACH accounts, delete existing ACH accounts, change/update existing ACH accounts.

Add New ACH accounts

You need to do prenote on new ACH accounts. On the ACH screen click on those accounts which will be prenoted. Put a check in the box under the Prenote Only column. Once the prenote is successful, remove all prenotes. See the prenote section in the manual for more help.

Delete Existing ACH Accounts

To temporarily turn off the ACH status for an account, remove the check in the box for that account on the ACH screen or remove the check on the Direct Payment box on the Accounts MISC tab accessed through the Account Screen.

Update Existing ACH Accounts

If account information is changed, a prenote will need to be sent to your bank to verify the changes. Use the ACH screen and the transfer list find the one that has been changed and make the necessary corrections. You may also go to the Account screen, find the account and right click and click on Setup and then on Account ACH Setup.

ACH Transfer Reversal

If for some reason a file was create wrong and transferred to the bank, a reversal can be done to give money back to the customers. From the main ach transfer screen, enter the amounts you are going to reverse and then click on the ach transfer reversal button on the bottom left to start the process. Once the file is created, it can then be sent to the bank for the reversal amounts that were entered.

