Treasury Management Guide

ACH

WILSON
Bank & Trust

Contents

Terminology

ACH has its own terms used frequently in banking. The following are some you may come across in this document:

Term	Definition/Description
Batch	A group of transactions that are processed as a single unit.
Recipient	The person or company you are debiting or crediting via ACH
Payment	Can refer to a debit or credit transaction via ACH
SEC Code	Stands for Standard Entry Class code. This identified the kind of recipient(s) the transaction is intended for.
PPD	Stands for Prearranged Payment and Deposit entry. Used for ACH transactions to personal accounts. Think P = Personal.
CCD	Stands for Corporate Credit or Debit Entry. Used for ACH transactions to business accounts. Think C = Company.
Template	A pre-formatted digital document that stores information for future payments. It is formatted to resemble a live payment and can be initiated so all information flows from the template to the live ACH payment to avoid re-typing regularly used information.
ACH Credit	In ACH, credit is sending funds to the recipient
ACH Debit	In ACH, debit is pulling funds from the recipient
Effective Date	The day the transaction will post/release
Prenote	A zero-dollar ACH test transaction to verify accuracy of banking details before processing actual payments

How to create an ACH Payment

- Select the "Payments" menu option
- Under "ACH" select "Create ACH Payment"
- Enter a "Payment Name": this is for internal use and will not travel with the ACH
- "ACH Company Name": select the search icon and select your company
- You will see the remaining information prefill
- Navigate to "SEC Code"
  - Select CCD if the recipient(s) will be company accounts
  - Select PPD if the recipient(s) will be personal accounts
  - Please note the batch cannot be mixed
- "Entry Description": enter a description of the payment up to 11 characters
- "Frequency": select whether it is a one-time payment (default) or if you'd like the payment to be recurring
- "Effective Date": select the date you'd like the payment to be released
  - Please note if set up several days in advance, funds may be placed on hold up to 2 days in advance of scheduled payment.
- Select "Add Recipients"
- For each recipient:

Recipient Name ⇕ *	ID Number ⇕	Account Number ⇕ *	Account Type ⇕ *	Routing Number ⇕ *	Credit/Debit ⇕ *	Amount ⇕ *	Prenote ⇕	Hold ⇕	Addenda
			Checking ▼	Type to filter 🔍	CR ▼	$0.00	☐	☐	Addenda 🗑 ➕

- o   Recipient Name: Enter the name provided
- o   ID Number: This field is optional and used for your internal purposes
- o   Account Number: Enter the account number provided
- o   Account Type: Select the appropriate account type
- o   Routing Number: Enter the routing number provided
- o   Credit/Debit: Enter the appropriate transaction Type
    - ▪   Credit is used for sending funds to the recipient
    - ▪   Debit is used to pull funds from the recipient
    - ▪   *Please note* and ACH batch cannot have mixed debits and credits
- o   Amount: Enter the appropriate amount you'd like to debit or credit
- o   Prenote: Check the box if you'd like to send a $0 prenote against the recipient account prior to sending live dollar funds.
    - ▪   This is used to verify the recipient's information and can take up to 3 business days. If any adjustments are needed, you will receive a Notification of Change within those 3 business days. If the information matches, you will not receive any notification of change.
- o   Hold: Check box if you'd like to save the information added but not send any funds at that time.
    - ▪   This is generally used when initiating via a template.
- o   Addenda: Optional. This is a text box where you can include a message for the recipient.
- •   To add recipients, you can select the + icon or "Select from Recipient list" if you have any existing.

- •   Once all recipients have been added, select "Review"
- •   On the following page you will see "Offset Account". Select the account for the ACH Transaction.
- •   Confirm
- •   The system will prompt you to enter a secure access code that is texted to you.
- •   The process is complete

Where to find ACH Activity

- •   Select the "Payments" menu option
- •   Under "ACH" select "ACH Payment Activity"

- You can then select the Transaction ID to open the batch to see detailed information

Please note you may have to change the date range in the search bar to the left of the screen depending on which ACH Batch you are looking for then click "Search"

ACH Templates

An ACH Template is a pre-formatted digital document that stores information for future payments. It is formatted to resemble a live payment and can be initiated so all information flows from the template to the live ACH payment to avoid re-typing regularly used information. It is useful in situations where you pay a group of people/companies on a regular basis. They can also be edited.

Creating a Template

- Select the "Payments" menu option
- Select "ACH Templates"
- Select "Create New Template" on the top right of the screen
- Enter a "Template Name": this is for internal use and will not travel with the ACH once initiated
- "ACH Company Name": select the search icon and select your company
- You will see the remaining information prefill
- Navigate to "SEC Code"
  - Select CCD if the recipient(s) will be company accounts
  - Select PPD if the recipient(s) will be personal accounts
  - Please note the batch cannot be mixed
- "Entry Description": enter a description of the payment up to 11 characters
- Optional: The "Restrict Template" checkbox at the bottom is used if there are multiple users that have access to templates and you would like to restrict the template so you are the only user that can access it.
- Select "Add Recipients"
- For each recipient:

Recipient Name ⇕ *	ID Number ⇕	Account Number ⇕ *	Account Type ⇕ *	Routing Number ⇕ *	Credit/Debit ⇕ *	Amount ⇕ *	Prenote ⇕ ☐	Hold ⇕ ☐	Addenda
			Checking ▼	Type to filter 🔍	CR ▼	$0.00	☐	☐	Addenda 🗑 ➕

  - Recipient Name: Enter the name provided
  - ID Number: This field is optional and used for your internal purposes
  - Account Number: Enter the account number provided
  - Account Type: Select the appropriate account type
  - Routing Number: Enter the routing number provided
  - Credit/Debit: Enter the appropriate transaction Type
    - Credit is used for sending funds to the recipient
    - Debit is used to pull funds from the recipient
    - *Please note* and ACH batch cannot have mixed debits and credits
  - Amount: Enter the appropriate amount you'd like to debit or credit
  - Prenote: Check the box if you'd like to send a $0 prenote against the recipient account prior to sending live dollar funds.
    - This is used to verify the recipient's information and can take up to 3 business days. If any adjustments are needed, you will receive a Notification of Change within those 3 business days. If the information matches, you will not receive any notification.
  - Hold: Check box if you'd like to save the information added but not send any funds at that time.
    - This is generally used when initiating via a template.
  - Addenda: Optional. This is a text box where you can include a message for the recipient.

- You may continue adding recipients by selecting the button that says "Add Recipient" or the + icon to the right
- Once you are finished adding recipients, select "Review"
- "Confirm"
- Template creation is complete.

How to Edit Templates

- Select the Template Name:

ACH Templates | ACH Tax Templates

Type to filter 🔍

	Template Name ⇕
☐	Payroll Demo
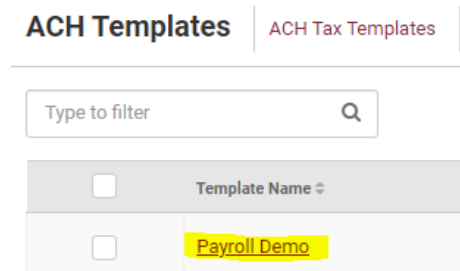
- Select "Edit Template" at the bottom left
- Make any desired changes
- Select "Review"
- Select "Confirm"
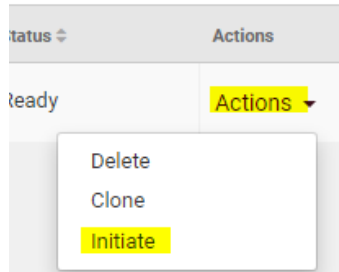
How to Initiate a Template

- Select the "Payments" menu option
- Select "ACH Templates"
- Check the box by the template you'd like to initiate then select "Initiate Selected Templates"

	Template Name ⇕
☑	Payroll Demo

Initiate Selected Templates
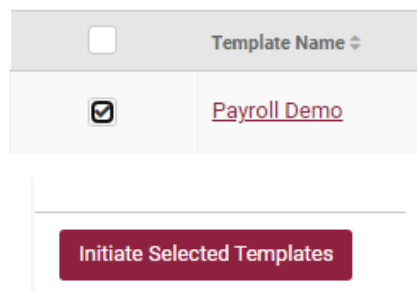
OR

- Select the actions button to the right of the template you'd like to initiate and select "Initiate"

- This will take you to the "Create ACH Payment" Page with your information pre-filled.
- "Frequency": select whether it is a one time payment (default) or if you'd like the payment to be recurring
- Then "Effective Date": select the date you'd like the payment to be released
  - Please note if set up several days in advance, funds may be placed on hold up to 2 days in advance of scheduled payment.
- Select "Add Recipients"
- Ensure the recipient information in correct. If any edits are needed, feel free to make adjustments at this point
- Select "Review"
- Choose your "Offset Account"
- Select "Confirm"

ACH Recipients

ACH Recipients via the ACH Recipients tab can be used in place of or in addition to ACH Templates. The Recipients here can be pulled into the ACH Payment but not the Template.

How to add an ACH Recipient
- Select the "Payments" menu option
- Select "ACH Recipients"
- Select "Add Recipient" on the bottom right of the screen
  - Recipient Name: Enter the name provided
  - ID Number: This field is optional and used for your internal purposes
  - Account Number: Enter the account number provided
  - Account Type: Select the appropriate account type
  - Routing Number: Enter the routing number provided
  - Credit/Debit: Enter the appropriate transaction Type
    - Credit is used for sending funds to the recipient
    - Debit is used to pull funds from the recipient
    - *Please note* and ACH batch cannot have mixed debits and credits
  - Default Amount: Enter the appropriate amount you'd like to debit or credit **OR** you may leave it at $0

- o   Addenda: Optional. This is a text box where you can include a message for the recipient.
  - Save

How to Initiate Payments from ACH Recipients

- Select the checkbox by the recipient(s) you would like to originate to
- Select "Create Payment From Selected"

- Enter a "Payment Name": this is for internal use and will not travel with the ACH
- "ACH Company Name": select the search icon and select your company
- You will see the remaining information prefill
- Navigate to "SEC Code"
  - o   Select CCD if the recipient(s) will be company accounts
  - o   Select PPD if the recipient(s) will be personal accounts
  - o   Please note the batch cannot be mixed
- "Entry Description": enter a description of the payment up to 11 characters
- "Frequency": select whether it is a one time payment (default) or if you'd like the payment to be recurring
- "Effective Date": select the date you'd like the payment to be released
  - o   Please note if set up several days in advance, funds may be placed on hold up to 2 days in advance of scheduled payment.
- Select "Add Recipients"
- The recipients you selected will be pre-filled on this screen. Feel free to make any adjustments to them such as the dollar amount.
- select "Review"
- On the following page you will see "Offset Account". Select the account for the ACH Transaction.
- Confirm

ACH Notification of Change Activity

When sending an ACH, the receiving bank has up to 3 business days to notify you if something went wrong with the transaction. An ACH Notification of Change (NOC) happens when the receiving bank has accepted the payment but something wasn't correct such as the account type, or SEC Code.

To check Notifications of Change:

- Select "Payments"
- Under the ACH Submenu, select "ACH Notification of Change Activity"
- Ensure you have the correct date range as it will auto default to today's date. It is best to select a wider date range to capture anything that may have come through.

Search ACH Notification of Change Activity ‹

Original Effective Date

[▼]

Date Notification Received

| Today | 02/19/2025 ▼ |

ACH Company

[Select ACH Company   ▼]

Recipient Name

[   ]

| Search | | Reset |

If you have Notifications of Change, ensure you update the recipient or template to match.

ACH Return Activity

When sending an ACH, the receiving bank has up to 3 business days to notify you if the transaction has been returned. An ACH Return happens if the account or routing number does not exist or match, the recipient name is incorrect, etc. You may see the amount posted back to your account – that is your sign to check your returns. To view them:

- Select "Payments"
- Under the ACH Submenu, select "ACH Return Activity"
- Ensure you have the correct date range as it will auto default to today's date. It is best to select a wider date range to capture anything that may have come through.

Please ensure you reach back out to the recipient to get corrected information.

ACH Tax Payments

Manual Entry

- Select "Payments"
- Under the ACH Submenu, select "Create ACH Tax Payment"
- Select whether the payment is for "Federal" or "State" taxes
- If State, enter the applicable State.
- Enter the "Tax Payment Name"
- Enter the "Tax Period End Date"
- Enter the "Tax Code" or click the search icon
- Enter the "Tax Payer ID"
- Select the search icon by "ACH Company Name" and select the company you'd like to use
- Select the search icon by "Pay From Account" and select your account
- Select the "Effective Date"
- Enter the "Amount"
- Enter the Amount Type field, if applicable.
  - State taxes allow the following entries:
    - T = Tax
    - S = State
    - P = Penalty
    - I = Interest
    - L = Local

- - - C = City
  - o Federal taxes allow the following entries:
    - - 1 SOCS = Social Security amount
    - - 2 MEDI = Medicare amount
    - - 3 WITH = Withholding amount
    - - 1 FICA = Tier 1 if code CT-1 was used
    - - 2 Industry = Tier 2 if code CT-1 was used
    - - 6 Supplemental = Tier 3 if code CT-1 was used
- To include up to two additional Amount/Amount Type fields, select the "+" option.
- Complete the recipient fields.
- Select "Review"
- Review the information entered to ensure that it is accurate.
- Select "Confirm"

Tax Templates

- Select "Payments"
- Under the ACH Submenu, select "ACH Tax Template"
- Select "Create New Template" in the top right
- Select whether the payment is for "Federal" or "State" taxes
- If State, enter the applicable State.
- Enter the "Template Name"
- Enter the "Tax Code" or click the search icon
- Enter the "Tax Payer ID"
- Select the search icon by "ACH Company Name" and select the company you'd like to use
- Enter the "Amount"
- Enter the Amount Type field, if applicable.
  - o State taxes allow the following entries:
    - - T = Tax
    - - S = State
    - - P = Penalty
    - - I = Interest
    - - L = Local
    - - C = City
  - o Federal taxes allow the following entries:
    - - 1 SOCS = Social Security amount
    - - 2 MEDI = Medicare amount
    - - 3 WITH = Withholding amount
    - - 1 FICA = Tier 1 if code CT-1 was used
    - - 2 Industry = Tier 2 if code CT-1 was used
    - - 6 Supplemental = Tier 3 if code CT-1 was used
- To include up to two additional Amount/Amount Type fields, select the "+" option.
- Complete the recipient fields.
- Select "Review"
- Review the information entered to ensure that it is accurate.

- Select "Confirm"

Initiating a Tax Template
- Select "Payments"
- Under the ACH Submenu, select "ACH Tax Template"
- Select the check box to the right of the template you'd like to initiate
- Select "Initiate Selected Tax Templates" in the bottom right
- Enter the "Tax Period End Date"
- Select the search icon by "Pay From Account" and select your account
- Select the "Effective Date"
- Ensure the "Amount" is correct
- Select "Review"
- Review the information entered to ensure that it is accurate.
- Select "Confirm"

ACH Child Support Payments

Manual Entry
- Select "Payments"
- Under the ACH Submenu, select "Create Child Support Payment"
- Enter "Payment Name"
- Select the search icon by "ACH Company Name" and select the company you'd like to use
- Ensure the correct SEC code is selected
    - PPD for personal recipient(s)
    - CCD for company recipient(s)
- Enter an "Entry Description" (up to 10 characters)
- Enter the desired "Effective Date"
- Select "Add Recipients"
- Complete the Recipient Fields
    - The recipient is usually the state's information for who is receiving the child support payment
- Complete the non-custodial Parent Fields
    - If you need additional assistance with this information, contact your state's Child Support EFT representative.
- Select "Review"
- Review the information entered to ensure that it is accurate.
- Select "Confirm"

Child Support Templates
- Select "Payments"
- Under the ACH Submenu, select "Create Child Support Templates"
- Enter "Payment Name"
- Select the search icon by "ACH Company Name" and select the company you'd like to use
- Ensure the correct SEC code is selected

- o   PPD for personal recipient(s)
- o   CCD for company recipient(s)
- Enter an "Entry Description" (up to 10 characters)
- Select "Add Recipients"
- Complete the Recipient Fields
- The recipient is usually the state's information for who is receiving the child support payment
- Complete the non-custodial Parent Fields
- If you need additional assistance with this information, contact your state's Child Support EFT representative.
- Select "Review"
- Review the information entered to ensure that it is accurate.
- Select "Confirm"

Initiating a Child Support Template

- Select "Payments"
- Under the ACH Submenu, select "Create Child Support Templates"
- Select the check box to the right of the template you'd like to initiate
- Select "Initiate Selected Child Support Templates" in the bottom right
- Enter the desired "Effective Date"
- Select "Add Recipients"
- Ensure all this information is correct
- Select "Review"
- Review the information entered to ensure that it is accurate.
- Select "Confirm"

ACH Recipient Import Layout

You can either import recipient information by CSV. File or a fixed position text document

CSV. Layout

- Select "Payments"
- Under the ACH Submenu, select "ACH Recipient Import Layout"
- This will auto default to "Delimited" which is correct for the CSV. file
- Enter the information in what order the columns are in
  - o   Ex. Column A=1, B=2, C=3, etc.
- In the "Account Type" and "Transaction Type" sections you will need to enter what is in the given cells that equals the listed information.
  - o   Ex. If the cell has the letter "C" to designate it is a checking account, you would enter "C" in the section for "Checking Equals"

Example:

Name *	1
ID Number	2
Routing Number *	5
Account Number *	3
Amount *	7
Account Type * Use Transaction Code instead ⓘ	4

Account Type * Use Transaction Code instead ⓘ

Checking Equals:	Savings Equals:	Loan Equals:	GL Equals:
C	S	L	G

Transaction Type *

Debit Equals:	Credit Equals:
D	C

Transaction Type * ... 8

Save   Reset

- Once complete, "Save"

Fixed Position Layout

- Select "Payments"
- Under the ACH Submenu, select "ACH Recipient Import Layout"
- Pick "Fixed Position"
- Enter the numbers for the positions each information will be in
  - The "End" value must be greater than the "Begin" value. If the values match, the "End" value appears in red with a warning.
- In the "Account Type" and "Transaction Type" sections you will need to enter what is in the given cells that equals the listed information.
  - Ex. If the text has the letter "C" to designate it is a checking account, you would enter "C" in the section for "Checking Equals"

Example:

	Begin	End
Name *	1	10
ID Number	11	20
Routing Number *	21	29
Account Number *	30	40
Amount *	41	47

Account Type * Use Transaction Code instead ⓘ   48   49

Checking Equals:	Savings Equals:	Loan Equals:	GL Equals:
C	S	L	GL

Transaction Type *   50   50

Debit Equals:	Credit Equals:
D	C

[Save]   Reset

- Once complete, "Save"