



## **Accounts Payable EFT**

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## TABLE OF CONTENTS

1	Introduction.....	4
1.1	Document Overview .....	4
1.2	Terminology.....	5
2	EFT Setup .....	6
2.1	Vendor ABA (VABA) .....	6
2.2	Vendor/Customer (VCUST) .....	7
2.3	Disbursement Parameters (DISPA) .....	8
3	GAX and IN Documents.....	9
3.1	Vendor Section.....	9
4	Generating the Prenote.....	10
4.1	Prenote ACH Transaction Chain .....	10
5	AD Chain (Accounts Payable Check Run).....	11
5.1	AD Chain (Accounts Payable Check Run).....	11
6	EF ACH Transaction.....	12
6.1	EF ACH Transaction Chain (Automated Check Handling Format Printing)...	12
7	EFT File Submission.....	12
8	EFT Void .....	13

## 1 Introduction

The purpose of this document is to help with the setup and processing of Vendor EFT payments

Vendors may be paid via a physical check through the AD Chain or receive an Electronic Fund Transfer (EFT) by running both the AD Chain and the EF ACH Transaction Chain. A vendor may receive payments either way, but determination of payment “type” will be made within the vendor section of the payment document.

### 1.1 Document Overview

This document covers the following:

- Setup to the Vendor ABA Page (VABA)
- Setup to the Vendor/Customer Page (VCUST)
- Entry to Disbursement Parameters Page (DISPA)
- Payment Documents Review (GAX, IN)
- Running a Prenote
- Running the AD Chain
- Running the EF ACH Transaction Chain
- EFT File Submission
- EFT Void

## 1.2 Terminology

<b>CCD</b>	Cash Concentration and Disbursement: Developed by NACHA for the electronic transfer of funds between companies and trading partners
<b>CTX</b>	Corporate Trade Exchange: An electronic fund transfer format compatible with ANSI ASC X12 that carries information about payments and transferring of values
<b>PPD</b>	Prearranged Payment of Deposit: Developed by NACHA for the electronic transfer of funds between companies and trading partners
<b>ACH</b>	Automated Check Handling - An ACH transaction is an electronic fund transfer, routed through the Federal Reserve Bank from a checking or savings account.
<b>EFT</b>	Electronic Funds Transfers (EFTs) are a means of moving monies from the districts financial institution to the vendor without issuing a check.
<b>Prenote</b>	The pre-note process is used to validate the existence and correctness of the vendor's ABA number and the bank account number. It consists of submitting a zero dollar EFT disk file to the bank. The bank processes it through the Clearing House and receives notification of errors in the information. All vendors must go through the pre-note process before they can be paid through electronic funds transfer.

## 2 EFT Setup

### 2.1 Vendor ABA (VABA)

The screenshot shows the AMS Advantage web application interface. The main content area is titled "Vendor ABA" and contains a table with the following data:

ABA Number	Bank Name	Principal Contact
✓ 272479663	MSU Federal Credit Union	Beverly Hunter
272479641	Credit Union One	Beverly Hunter

Below the table, there is a "Details" section with a form for entering bank information. The form includes the following fields:

- ABA Number: 272479663
- Bank Name: MSU Federal Credit Union
- Address 1: 3777 West Road
- Address 2: [Empty]
- City: East Lansing
- Country: US
- State/Province: MI
- Zip/Postal Code: 48823
- Web Address http://: [Empty]
- Principal Contact: Beverly Hunter
- Email: Beverly Hunter
- Phone: 248-451-6879
- Phone Extension: [Empty]
- Alternate Phone: [Empty]
- Alternate Phone Extension: [Empty]
- Country Phone Code: 1
- Fax: [Empty]
- Fax Extension: [Empty]
- Alternate Fax: [Empty]
- Alternate Fax Extension: [Empty]

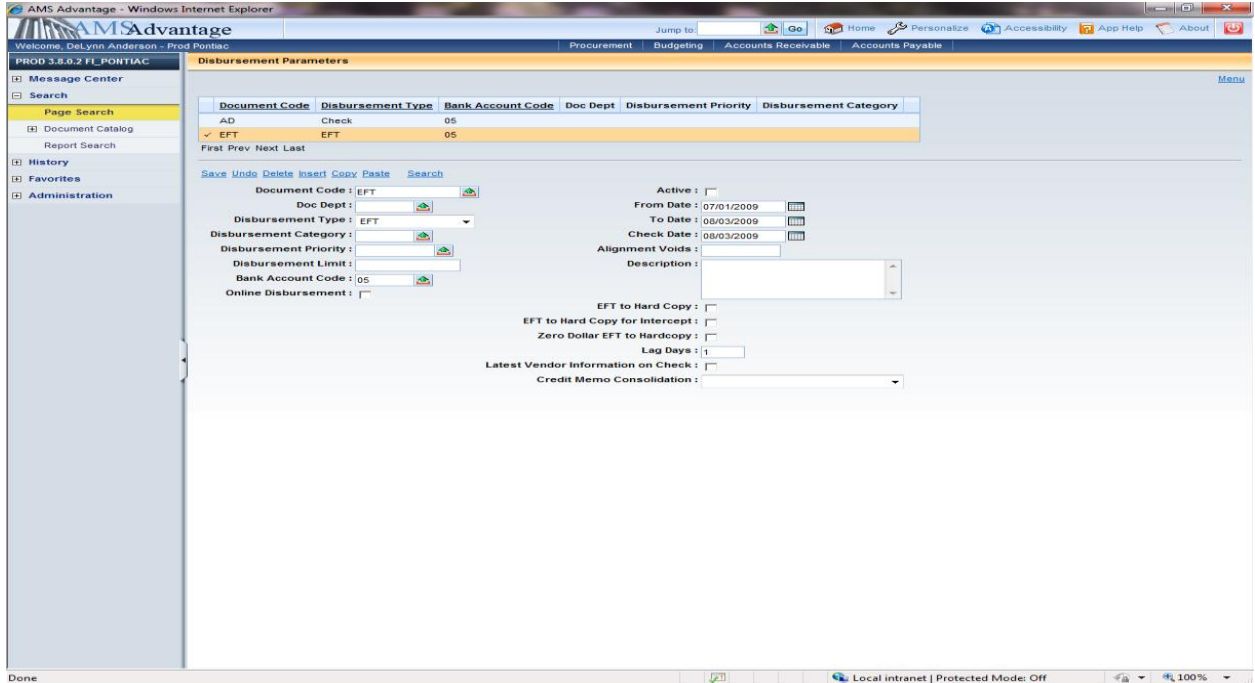
1. Navigate to the Vendor ABA page by using the “Page Search”
2. Insert a record for each bank that will be receiving EFT payments on your districts behalf.

## 2.2 Vendor/Customer (VCUST)

**Strong Recommendation:** Please run a \$0.00 prenote through your financial institution before setting the flag to “Eligible for EFT”.

1. Navigate to the Vendor/Customer page by using the “**Page Search**”
2. Fill in the Prenote EFT section.
  - a. To do a prenote set the EFT Status to “Prenote Requested”.
  - b. The Generate EFT Payment checkbox must be checked to generate an EFT payment. If left unchecked a check will be generated.
3. To generate a remittance advice for the vendor, fill in the Remittance Advice Section.
  - a. Flag the Remittance Advice Required
  - b. Select “RA” for Remittance Advice Format
4. After confirmation from your financial institution, set the flag EFT Status to “Eligible for EFT”.

## 2.3 Disbursement Parameters (DISPA)



1. Navigate to the Disbursement Parameters page by using the “Page Search”
2. Add an entry for EFT.

NOTE: Lag Days are the number of days after the bank receives the EFT ACH File before the deposit will occur.



### **3 GAX and IN Documents**

#### **3.1 Vendor Section**

In the Vendor Section, select the proper Disbursement Format (i.e. CTX, CCD, PPD) – that is accepted by your bank.

NOTE: If one of the above formats is not selected, then the system will default to the format selected on VCUST.

For more information on entering these documents, please refer to the Accounts Payable documentation.

NOTE: It is the IN document that drives the Disbursement Format (payment type) on the PRM and PRC documents. Because we are unable to modify the PRLVP document, the payment type will be solely driven by the setup in VCUST.

## 4 Generating the Prenote

### 4.1 Prenote ACH Transaction Chain

The screenshot shows the 'Chain Job Steps for Prenote ACH Transaction (8539)' window. The left-hand navigation pane is expanded to show the 'Prenote ACH Transaction' chain. The main area displays a table of job steps with the following data:

Job ID	Item Type	Catalog Name	User ID	Job Name	Start Time	End Time	Run Status	Return Code	
8539	System Batch	Banka Reply	andersond	Pontiac Test 4	10-16-2012 15:09:34	10-16-2012 15:09:34	Complete	Successful	<a href="#">View Log</a>
8540	Report	Prenote Reports	andersond	Pontiac Test 4	10-16-2012 15:09:39	10-16-2012 15:09:39	Complete	Successful	<a href="#">View Log</a> <a href="#">View Reports</a>
8541	System Batch	Build XML File	andersond	Pontiac Test 4	10-16-2012 15:09:44	10-16-2012 15:09:44	Complete	Successful	<a href="#">View Log</a>
8542	System Batch	Build Flat File	andersond	Pontiac Test 4	10-16-2012 15:09:49	10-16-2012 15:09:49	Complete	Successful	<a href="#">View Log</a>

Below the table, there are navigation links: 'First', 'Prev', 'Next', 'Last', and 'Reconnect Job'. An 'OK' button is located at the bottom right of the table area.

- Step 1: Navigate to the Prenote ACH Transaction chain job
- Step 2: Submit the Prenote ACH Transaction chain job
- Step 3: Notify Oakland Schools that a prenote file needs to be transmitted to bank.

## 5 AD Chain (Accounts Payable Check Run)

### 5.1 AD Chain (Accounts Payable Check Run)

- Step 1: Manually run **Matching Manager** to capture any new data, if entered after the nightly cycle
- Step 2: On the **DISPA** table, activate the EFT entry, enter the appropriate **From** and **To Dates** for disbursement capture, and enter the proper **Check Date**
- Step 3: Review the **Scheduled/Unscheduled Report**
- Step 4: Review the following Tables: **DISRQ** and/or **DISBM** in order to prioritize payments (change schedule pay date or place on hold)
- Step 5: Select the **AD Chain** program from the Batch Catalog; Financial; Accounts Payable; Chain Jobs.
- Step 6: Click on **Schedule New Chain Job**
- Step 7: Type in a **Job Name**, Click on **Save**
- Step 8: Click on **Setup Parameters** link
- Step 9: Click on the **Chain Disbursement Printing** step
- Step 10: Click on Edit Job Parameters link
- Step 11: Change the **Disbursement Type** parameter to 4, Click on **Save**
- Step 12: Click OK
- Step 13: Click OK
- Step 14: Click on **Submit Request**
- Step 15: You may Click on **View Job Summary** to see the jobs and job logs and any related reports (i.e. the AD Doc Exception Report will provide the detail of any documents that were not processed, due to errors)

NOTE: You will see a warning return code on the IT Upload step. This is OK.

## 6 EF ACH Transaction

### 6.1 EF ACH Transaction Chain (Automated Check Handling Format Printing)

- Step 1: Select the **EF ACH Transaction Chain** program from the Batch Catalog; Financial; Accounts Payable; Chain Jobs.
- Step 2: Click on **Schedule New Chain Job**
- Step 3: Type in a **Job Name**, Click on **Save**
- Step 4: Click on **Submit Request**
- Step 5: You may Click on **View Job Summary** to see the jobs and job logs and any related reports

NOTE: This job creates EFT documents, that can be found on the Document Catalog

## 7 EFT File Submission

Once the EF ACH Transmission Chain has run successfully, submit 2 helpdesk tickets:

- Request the remittance advises be moved to print

After you have reviewed your remittance advises

- Request for your districts A/P EFT file to be processed.

## 8 EFT Void

Should there be a need to void an EFT you will need:

- Contact your financial institution so the payment may be retracted or canceled (due to the time lag)

After confirmation from the financial institution has been received that the monies have been retrieved:

- Discard the EFT document (same as you would an AD document). A cancellation reason will be required.