

ACH: Payment Creation (Collect from a Business)

Creating a New Payment (Collections)

Collect from a Business

When collecting a payment from a business, the payment type is called **Collect from a Business** in Step 1 of Create ACH Payment. **Collect from a Business** is a business-to-business Automated Clearing House (ACH) payment where the amount is debited from each recipient's account and credited to the originator's settlement account.

- These payments are sent to the ACH processor as either a Cash Concentration and Disbursement (CCD) or Corporate Transfer Exchange (CTX) debit transfer.
- Although these ACH options move money between business accounts in the same way, they are distinguished by the ability of the originator and receiver to exchange various amounts of remittance information.
- The CCD format allows companies to add one addenda record, which carries 80 characters of payment-related information. In contrast, the CTX format supports the transfer of extensive addenda records - up to 9,999 records, each having 80 characters of payment-related data - along with the payment transfer.
- CCD debit payments are commonly used to collect corporate receivables, collect corporate donations, or consolidate funds from branches, franchises, or agents. CTX debit payments are widely used for payments for supplies and loan payments with multiple addenda records.

To create a new CCD or CTX debit payment from a business, the user can select **New ACH Payments** under the Payments & Transfers menu or select **New ACH Payment** from the ACH Payments list. The user follows a five-step workflow to create a payment.

Create Payment



Set up this payment type

- ☒ Payment
- ☐ Recipien...
- ☐ Processing Detai...
- ☐ Review & Submit

What would you like to do?

- ☒ Send a payment
Amount(s) will be credited to recipient account(s)
- ☐ Collect a payment
Amount(s) will be debited from recipient account(s)

Whom would you like to pay?

- ☐ Individual
Consumers or employees
- ☒ Business
Vendors or other businesses

☐ This is a CTX payment ⓘ

Next

Let's talk!

1. Step 1: Choose Payment Type

- The first step in creating an ACH payment is to choose the appropriate payment type by answering these questions.
 - **What would you like to do?** The user can select **Collect a payment** when the amount is debited from the recipient account(s).
 - **Whom would you like to collect from?** The user can select **Business** when they collect from vendors or other businesses or consolidate funds from their other business accounts.
- If the user needs to send a CTX payment with extra remittance information, select the **CTX Payment** checkbox. Refer below:

Create Payment

Set up this payment type

- ☒ Payment
- ☐ Recipien...
- ☐ Processing Detai...
- ☐ Review & Submit

What would you like to do?

- ☐ Send a payment
Amount(s) will be credited to recipient account(s)
- ☒ Collect a payment
Amount(s) will be debited from recipient account(s)

Who would you like to collect from?

- ☐ Individual
Consumers or employees
- ☒ Business
Vendors or other businesses
- ☐ This is a CTX payment ⓘ

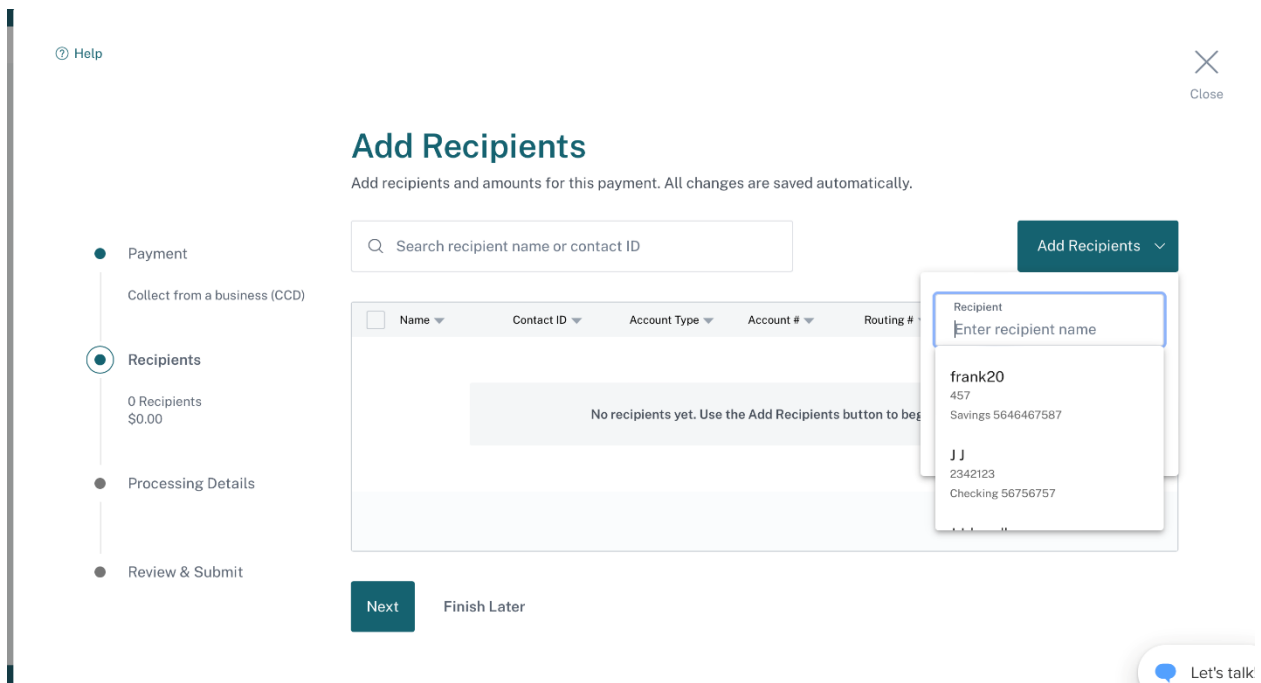
Next

Let's ta

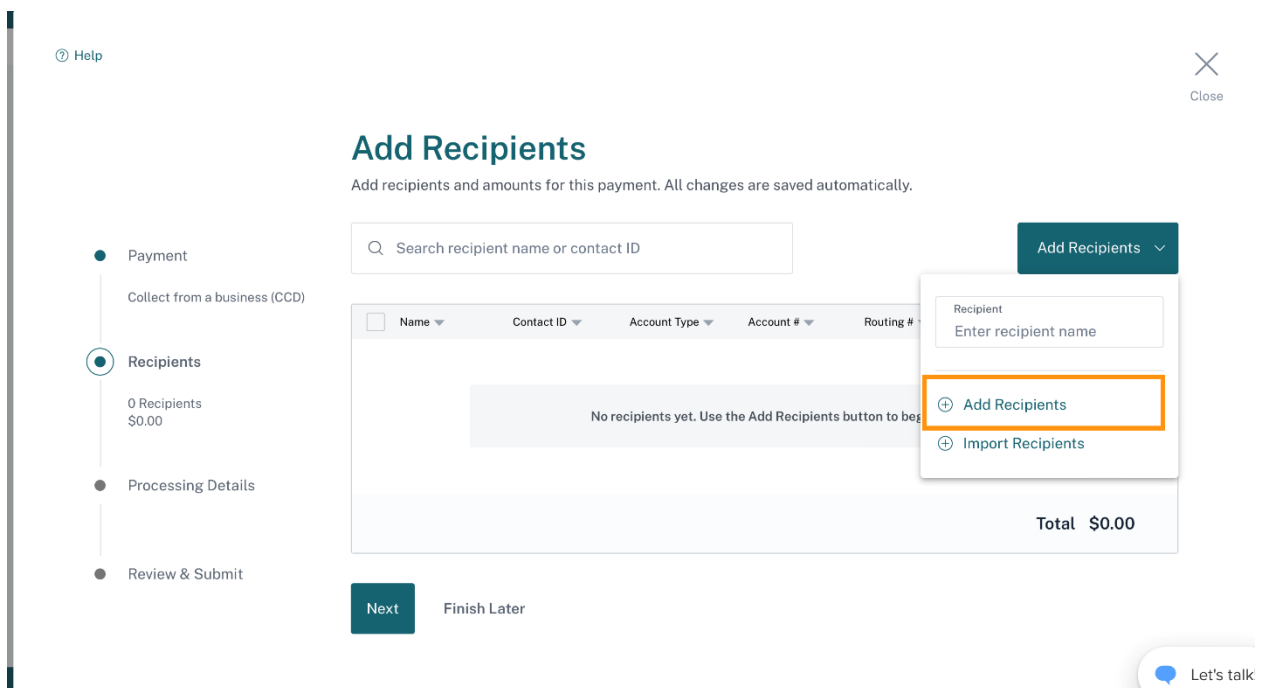
1. Step 2: Add Recipients

- Click the **Next** button to move to the **Add Recipients** page. After determining the payment type, the user can add recipients and addenda to the payment. Recipients can be added to a payment in three ways:

2.1. Retrieve from the Contact list: the user can perform a smart search on the Contact list and retrieve the recipient details as shown below. If there is more than 1 account associated with a contact, the accounts will be shown on separate rows.



2.2. Added from Add Recipients: the user can add recipients by choosing the **Add Recipient** option as shown below:



- To add recipients manually, the user must click on the **Add Recipient** option to bring up the Add Recipient pop-up window.

- Once the pop-up window displays, the user can enter the following recipient information:
 - In the **Recipient Name** field, enter the name of the recipient.

Recipient Name for CTX only allows 16 characters vs. 22 for other payment types.

- Enter a unique ID for the recipient for the optional Contact ID field.
- From the **Account Type** dropdown list, select the recipient's account type.
- In the **Account Number** field, enter the account number at the institution to be debited for the transaction amount.
- In the **Routing Number** field, enter the routing number (sometimes called the ABA number) of the receiving Financial Institution. This can be found on a check drawn on the account to be debited for the transaction amount for debit transactions. On personal checks, it's the leftmost nine digits on the bottom. On commercial checks, it sometimes appears after the check number. If the Routing Number is unknown, click on the **Routing Lookup** link to be taken to the Federal Reserve E-Payments Routing Directory to search for the number.

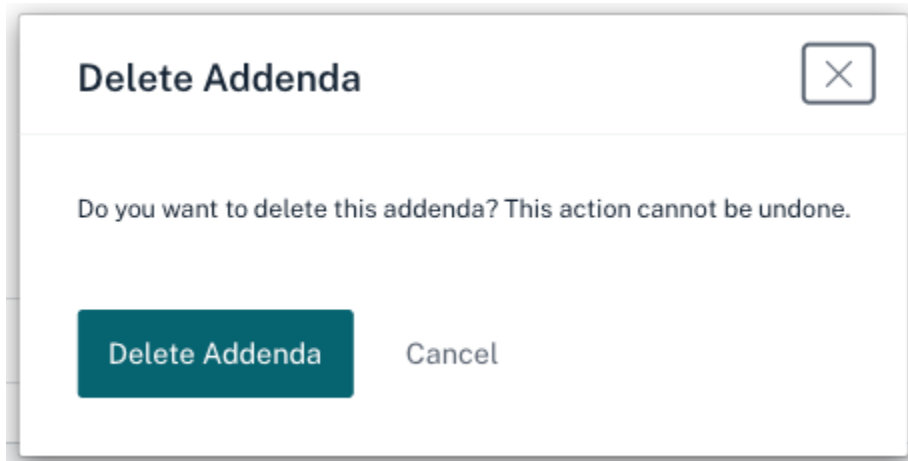
- In the **Amount** field, enter the transaction amount to be withdrawn from the recipient's account.
 - The user can select the checkbox **Add to Contacts** to add the newly created contacts to the Contact list.
 - The user clicks **Save & Add Another** if they need to add more recipients to their payment or can click **Save & Close** when they have finished adding recipients.
- Recipient(s) saved from the Add Recipient pop-up window populates on the **Add Recipient** table. The user can take the following actions on the **Add Recipient** table:
 - Add more recipients to a Payment by clicking **Add Recipient** button.
 - Edit amount of the Payment by clearing out the value and entering a new amount.
 - Edit details about the recipient by clicking on the recipient's name or by clicking on the action kebab and selecting **Edit Recipient** from the dropdown.
 - Remove a recipient by clicking on the action kebab and selecting **Remove Recipient** from the dropdown or by selecting one or more checkboxes and selecting **Delete** action from the taskbar at the bottom of the page to remove multiple recipients from the payment.
 - Place a recipient on hold by clicking on the action kebab and selecting **Place Hold** from the dropdown or by selecting one or more checkboxes and selecting **Place Hold** from the taskbar at the bottom of the page to place multiple recipients on hold. Once selected, the Hold column displays a 'Yes' for the item that is being held, and that recipient is not a part of the payment. To undo this action, the user can select **Release Hold** from the action kebab dropdown or the taskbar at the bottom of the page for the selected recipient(s).

Hold only applies to CCD Payments. For CTX Payments, since there is only one recipient, that recipient cannot be put on hold.

<input type="checkbox"/>	Name ▲	Custom ID	Account Type	Account #	Routing #	Hold	Amount
<input type="checkbox"/>	Gabe Terra + Add addenda		checking	19358437ABC	021000018		\$ 43.00 ⋮
<input type="checkbox"/>	Pru Baker + Add addenda		savings	01010102822	123123123		\$ ⋮

View/Edit Recipient
Remove Recipient
Place Hold

- For CCD payments, add additional payment-related information on each recipient line by clicking on the **Add Addenda** link and entering up to 80 characters. To save the Addenda to the recipient, the user must click the **Save** link. To delete addenda, they can click the trashcan icon to receive a confirmation pop-up window that this action is irreversible. Once **Delete Addenda** is selected, the addenda field is cleared.



- For CTX payments with freeform entry, click the **Add Addenda** button dropdown and select **Add 1 Addenda**, **Add 10 Addendas**, or **Add 25 Addendas**. The CTX freeform entry provides the user with a single optional input field, allowing the payment's remittance information to be added with minimal guidance. Click the **Add Addenda** button to add additional addenda. To delete an addenda line, the user can click the trashcan icon to receive a confirmation pop-up window that this action is irreversible. Once **Delete Addenda** is selected, the addenda field is cleared.
- To send remittance only for CCD and CTX payments, select the **Send remittance info only** checkbox. This option is available once recipients have been added to the payment. This option allows a payment to be sent with recipient and addenda information only. Amount fields are zeroed out and disabled. Refer below:

Payment

Payment to a business (CCD)

Recipien...

1 Recipient
\$10.00

Processing Detai...

Review & Submit

Add Recipients

Add recipients and amounts for this payment

Add Recipients

Show Filters

<input type="checkbox"/>	Name	Contact ID	Account Type	Account #	Routing #	Hold	Amount
<input type="checkbox"/>	test		Checking	12312312312312	454545454		\$ 0.00
<input type="text" value="Enter addenda (optional)"/>							✓ Save
							Total \$0.00

Showing 1 of 1 recipients

☒ Send remittance info only ⓘ

NextFinish Later

Let's

2.3. Finally, imported from Import Contacts: the user can choose to import the recipients by choosing the **Import Recipients** option as shown below:

Payment

Collect from a business (CCD)

Recipients

0 Recipients
\$0.00

Processing Details

Review & Submit

Add Recipients

Add recipients and amounts for this payment. All changes are saved automatically.

Add Recipients

☐

Name

Contact ID

Account Type

Account #

Routing #

No recipients yet. Use the Add Recipients button to begin.

Total \$0.00

NextFinish Later

Let's talk

Recipient

+

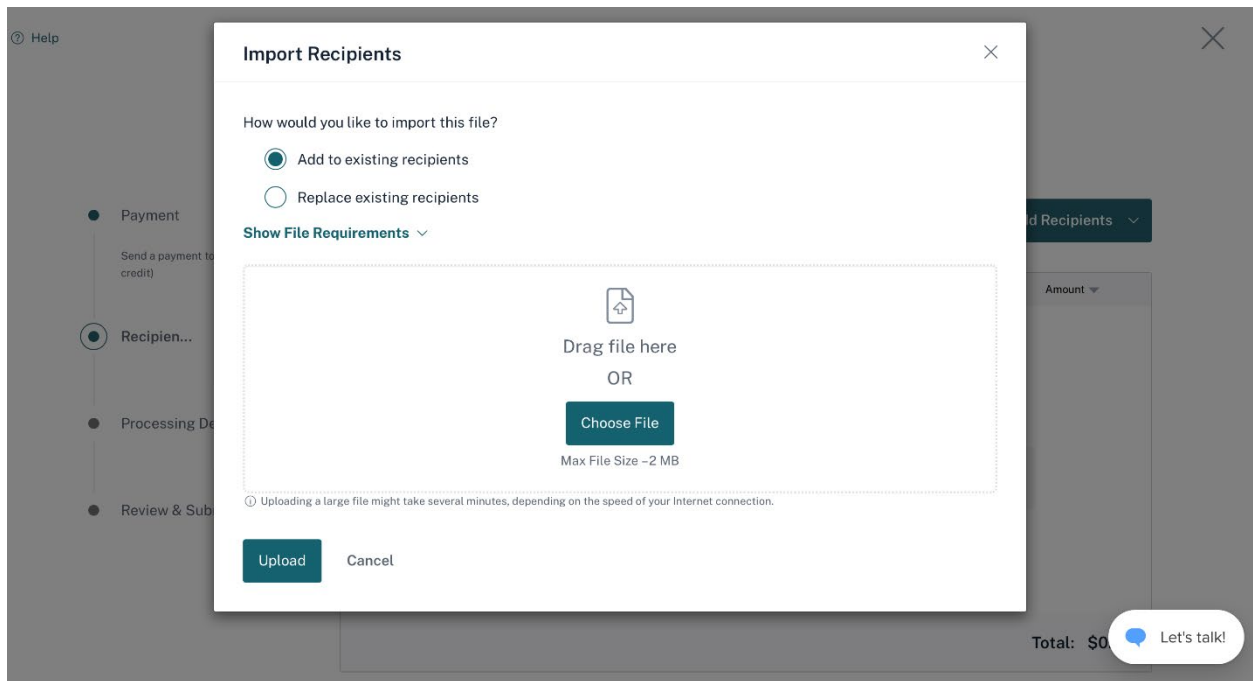
Add Recipients

+

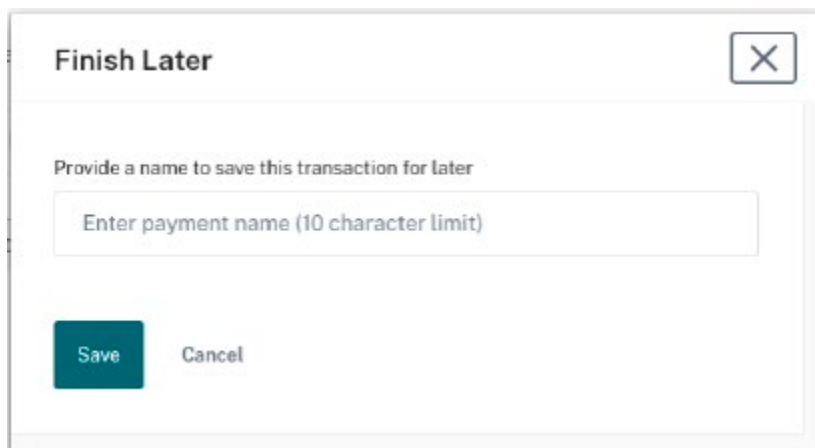
Import Recipients

- If the user has a large number of recipients, click on the **Import Recipients** link in the Add Recipients dropdown. Once the Add Recipient pop-up window

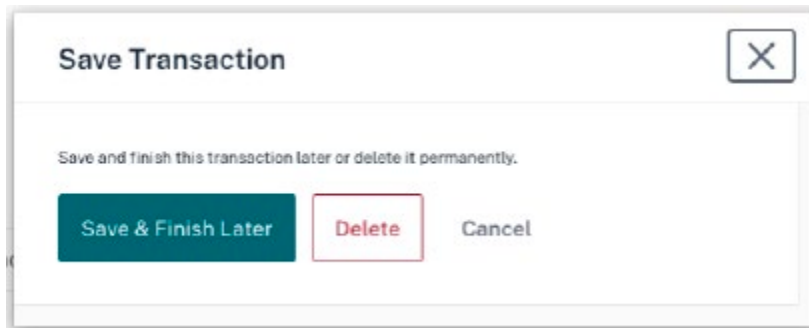
opens, users can import their recipient file information. See the [ACH Import](#) document for more details.



- If the user is ready to proceed to the next step, they can click the **Next** button to go to the Processing Details page.
- If the user wants to come back later to complete the payment, the user can select Finish Later. Finish Later is available on these steps when creating or editing a payment:
 - Add Recipients (step 2)
 - Processing Details (step 3)
 - Review & Submit (step 4)



- There is no option to Finish Later on Step 1 as the user cannot change the payment type once they have added any recipients. If the user clicks on **Finish Later** and has NOT input a payment name, they are asked to input one. User must input at least 2 characters for the Payment Name. Once the user saves the name, the payment displays in the Payments & Transfers list in an Incomplete status. If a date was NOT selected, then the payment goes into a Not Scheduled status otherwise the payment goes into an Incomplete status. A success message appears at the bottom of the page upon selecting Save.
- If the user edits an unfinished transaction and they select to Finish Later again, they are presented with options to either continue saving the transaction to the ACH Payment list, delete the whole transaction, which removes it from the ACH Payments list, or Cancel to keep working on the payment.



1. Step 3: Processing Details

- This step involves adding processing details to the payment.

Help

Processing Details

ACH Cut-Off Times: 8am, 1:30pm EST
Same Day ACH Cut-Off Times: 1:30pm EST

Payment

Collect from individuals (RCK)

Recipien...

1 Recipient
\$20.00

Processing Deta...

Review & Submit

Deposit To

Basic Checking *1001

Payment is deposited into this account (Balance: \$5,092.74)

Company ID

312345678 (ACHCo123)

DUNS Number

Memo (optional)

Enter memo

Payment Frequency

Single

Payment Date

2/1/2023

Document photo is required

Let's talk!

Processing details include the following fields:

- From the **Deposit To** dropdown list, select the account to be credited for the total amount of the payment. The dropdown contains all accounts the user has privileges for based on the payment type.
- The **Company ID** and **Company Name** fields are auto-populated with the Tax ID and Company Name information from the user's profile and are editable. Users can use the dropdown list to choose another identification type and enter a new **Company ID** number and **Company Name**. The Identification Type options are:
 - Tax ID - IRS Employer Identification Number
 - DUNS Number - The Data Universal Numbering System (DUNS) number is an identification number used by the government to identify each contractor and their locations.
 - User Defined ID - This is an identification number assigned by the company for controlling ACH payments
- If multiple ACH Company ID are enabled for the company, the user can select the appropriate preconfigured Company ID from the dropdown after the account has been selected. The ACH Company ID selections can change per account based on the company's setup.
- In the **Memo** field, the user can enter up to 20 characters.
- From the **Payment Frequency** dropdown list, select the frequency of the payment. The payment frequency tells the system if the payment should be rescheduled and how often. The user may click the **Single Payment** option from the dropdown if they only transmit this payment once. The possible Frequency options are:
 - Single Payment - Payment are created only one time
 - Occasional Payment - Payments are not automatically rescheduled, but the payment remains on the ACH Payment list and can be reused. Once the occasional payment has been processed, another instance of the payment is created with a payment date of 'date not set,' and a payment name is carried over.
 - Recurring Payment - Payments are automatically rescheduled, but they require approval each time unless the checkbox to Auto-approve all items in the series is selected. The user should only choose the Auto-approve option if the payment amounts are the same for each recurring payment. The user can select these recurring frequencies:
 - Daily
 - Weekly

- Every other week
- Semi-Monthly
- Monthly
- First business day of month
- Last business day of month
- Every other month
- Quarterly
- Every 6 months
- Yearly
- Every recurring payment must have a start date. End date is optional. If no End Date is selected, then the payment recurs indefinitely.
- Once the recurrence schedule and first payment date are selected, a schedule preview showing up to 6 upcoming payments in the series is displayed. If a debit payment in the series falls on a non-business day, the payment moves to the next business day.
- **Payment Date** is the Effective date of the payment, when the user wants the funds to be withdrawn from the recipient account. It can be manually entered or selected from the calendar. The calendar has a validation to ensure the payment date is entered in MM/DD/YYYY format. An error message displays if the cut-off time is missed or the selected date does not match the risk level for their business.
- **Same Day Payment** option displays if the user has Same Day privileges. Error messages are displayed if the cut-off time is missed for Same Day transactions or if they selected the Same Day option, but the selected date is in the future, and the payment could be processed as a non-Same Day payment.

1. **Step 4: Review & Submit**

- In this step, the user adds the details needed to submit the payment successfully.

Review & Submit

Review payment and submit for processing

Payment

Payment to individuals

Recipien...

1 Recipient
\$10.00

Processing Detai...

Single Payment
Payment Date 01/25/2023
From Basic Checking *1001

Review & Submit

Add a name and description for this payment

Payment Name
test

Payment Description (optional)
test123

☐ Mark payment as confidential ⓘ

☒ Send prenotes to all unverified accounts ⓘ

Submit Payment

Finish Later

Let's talk!

- In the **Payment Name** field, enter a short description, the Company Entry Description in ACH terms, which accompanies the payment. This field can only contain up to 10 characters.
- In the **Payment Description** field, enter an optional description for the payment. It does not accompany the payment but may help the user and others in their company better identify the payment.
- To mark a payment as confidential, select the **Mark payment as confidential** checkbox. This option is available if the user has confidential privileges and is assigned by payment type. Once selected, the user must choose who can view the payment. The other user(s) must also have confidential privileges for that payment type.
- To send a prenote to verify an account, select the **Send prenotes for newly added recipients'** checkbox. A prenote is created for each recipient that has not been previously prenoted or paid using this payment and is processed in the next available ACH cut-off. The prenote batch contains zero-dollar amounts used to verify the account details and ensure that the receiving Financial Institution can properly apply future payments to the recipient's account.
- The user should click **Submit Payment** to submit the payment for approval.
- The user should click **Finish Later** if they are not ready to submit the payment.

1. Step 5: Confirmation

- A pop-up confirmation window displays once the user clicks on the Submit button.

Payment Submitted

Your payment is pending approval

Payment requires 2 more approvals. Approve by 02/01/2023 at 1:30 pm EST

From 1 Check	Deposit To Basic Checking *1001
Payment Date 1/31/2023	Frequency Single
Amount \$20.00	Tracking # 5209390

Approve

Notify Approver(s)

Export

Let's talk!

The pop-up window displays the following:

- **Number of Approvals** required and **cutoff time** to meet the payment date selected.
- **Deposit To** displays the selected account in Processing Details step.
- **From** displays the recipient's name or the number of recipients if the payment contains more than one recipient and the number of addenda records.
- **Payment Date** is selected in the processing details step.
- **Frequency** of the payment is selected in the processing details step.
- **Amount** displays the total dollar amount of debit payments.
- **Tracking #** is a unique, system-generated number assigned to the payment for tracking purposes.
- If the user has approval privileges, they see an **Approve** button. If they do not have sufficient approval privileges or multiple approvals are required, a **Notify Approver(s)** button is displayed. Once the user clicks the button, a pop-up window appears listing the other users in their company who have approval privileges. Select one or multiple approvers to receive an approval request notification. Click the **Send Notification** button to send the message.
- Payments can be exported to a tab-separated (TSV) or a Nacha-formatted file by clicking on the **Export** link.

A payment is successfully created, and it displays on the ACH Payments list. The payment must be approved by the cut-off time for the system to process the payment for transmission. If any warning messages are present for the payment, the payment may not be processed.