

ACH: Payment Creation (Collect from an Individual)

Creating a New Payment (Collections)

Collect from an Individual

Collect from an Individual is a business-to-consumer Automated Clearing House (ACH) payment where the amount is debited from the recipient's account and credited to the originator's settlement account. A typical use for this type of payment is to collect consumer payments, such as monthly rent, mortgage, cable, or insurance payments.

There are several options for a **Collect from an Individual** payment:

- Prearranged Payment and Deposit (PPD debit) – allows the user to send automated debits to consumer accounts for which they have obtained **written** authorization from the consumer.
- Internet-Initiated Entries (WEB debit) – allows the user to send automated debits to consumer accounts for which they have obtained authorization from the consumer via a web page accessed through the **Internet**.
- Telephone-Initiated Entries (TEL debit) – allows the user to send automated debits to consumer accounts for which they have obtained **oral** authorization via the **telephone** from the consumer during a call they initiated.
- Re-presented Check (RCK debit) - provides the user an alternate method of collecting checks that have been returned due to insufficient or uncollected funds.

To create a new collection payment from an individual, the user must select **New ACH Payment** under the Payments & Transfers menu or select New ACH Payment from the ACH Payments list. The user needs to follow a five-step workflow to create a payment.

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 pay?** The user can select **Individual** when they are collecting from consumers.

- **What type of collection is this?** The user can select the type of collection from the dropdown.
 - The user can select **Written authorization (PPD debit)** if the consumer has provided their company with written authorization to collect funds from their account.
 - The user can select **Phone authorization (TEL debit)** if the consumer has provided their company authorization by phone to collect funds from their account.
 - The user can select **Digital authorization (WEB debit)** if the consumer has provided their company authorization on a online web page to collect funds from their account.
 - The user can select **Re-presented check (RCK debit)** if the consumer has written a check to their business that has been returned for insufficient/uncollected funds.
- Click the **Next** button.

Create Payment
Set up this payment type

Help

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

What type of collection is this?

Written authorization (PPD debit) ▾

☐ Business
Vendors or other businesses

Next

Let's talk!

1. Step 2: Add Recipients (for PPD, TEL, WEB)

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.

Help

Close

Add Recipients

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

Payment

Collect from individuals (PPD)

Recipients

0 Recipients
\$0.00

Processing Details

Review & Submit

Search recipient name or contact ID

Add Recipients

Name	Contact ID	Account Type	Account #	Routing #
No recipients yet. Use the Add Recipients button to begin adding recipients.				

Next Finish Later

Recipient
b

Barry Lawless
JL3948708
Checking 13201409763456677

Barry Lawless
JL3948708
Savings 78978978978978978

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

Help

Close

Add Recipients

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

Payment

Collect from individuals (PPD)

Recipients

0 Recipients
\$0.00

Processing Details

Review & Submit

Search recipient name or contact ID

Add Recipients

Name	Contact ID	Account Type	Account #	Routing #
No recipients yet. Use the Add Recipients button to begin adding recipients.				

Total \$0.00

Next Finish Later

Recipient
Enter recipient name

+ Add Recipients

+ Import Recipients

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

Add Recipient

Recipient Name

0/22

Contact ID (optional)

Account Type

Account Number

Routing Number

Routing Lookup

\$

Amount0.00

+

Add Addenda

Save

Save & Add Another

☐ Add to my contacts

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

- For the optional **Contact ID** field, the user can enter a unique ID for the recipient.
- From the **Account Type** dropdown list, the user must select the recipient's account type - checking, savings, or loan
- In the **Account Number** field, the user must enter the account number at the institution to be debited for the transaction amount.
- In the **Routing Number** field, the user must enter the routing number (sometimes called the ABA number) of the receiving Financial Institution. If the Routing Number is unknown, the user can 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, the user must 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.
- When the collection is PPD and WEB payment, the user can **Add Addenda** but not in RCK or TEL collections. **Add Addenda** can be done on the Add Recipient pop-up window.

Add Recipient



Recipient Name

|

0/22

Contact ID (optional)

Account Type



Account Number

Routing Number

[Routing Lookup](#)

\$

Amount

0.00

Add Addenda

Save

Save & Add Another

☐

Add to my contacts

- Alternatively, users can **Add Addenda** from the **Add Recipients** page.

● Payment

Collect from individuals (PPD)

● Recipient Information

1 Recipient
\$20.00

● Processing Details

Review & Submit

Add Recipients

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

Add Recipients

Show Filters

<input type="checkbox"/>	Name	Contact ID	Account Type	Account #	Routing #	Hold	Amount	
<input type="checkbox"/>	Test		Checking	1231231231231213	454545454		\$ 20.00	⋮
	<div>+ Add Addenda</div>							
							Total	\$20.00

Showing 1 of 1 recipients

Next

Finish Later

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

Help

Close

Payment

Collect from individuals (PPD)

Recipients

0 Recipients
\$0.00

Processing Details

Review & Submit

Add Recipients

Search recipient name or contact ID

<input type="checkbox"/>	Name ▼	Contact ID ▼	Account Type ▼	Account # ▼	Routing # ▼
No recipients yet. Use the Add Recipients button to begin adding recipients.					

Total \$0.00

Next

Finish Later


- 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.

Import Recipients

How would you like to import this file?

☒ Replace existing recipients

Show File Requirements ▾


Drag file here
OR
Choose File
Max File Size –2 MB

ⓘ Uploading a large file might take several minutes, depending on the speed of your Internet connection.

Upload

Cancel

- The user can click **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 are populated 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 the **Add Recipient** button
 - Edit the 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 recipient(s) 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 will not be 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).

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

View/Edit Recipient

Remove Recipient

Place Hold

- For PPD payments, add additional payment-related information on each recipient line by clicking on the **Add Addenda** link and entering up to 80 characters of information. To save the addenda to the recipient, the user must click the **Save** link. To delete an addenda line, they can click the trashcan icon to receive a confirmation pop-up window that this action is irreversible. Once the user selects **Delete Addenda**, the addenda field is cleared. Addendas are not allowed on RCK or TEL debit payments.

Delete Addenda

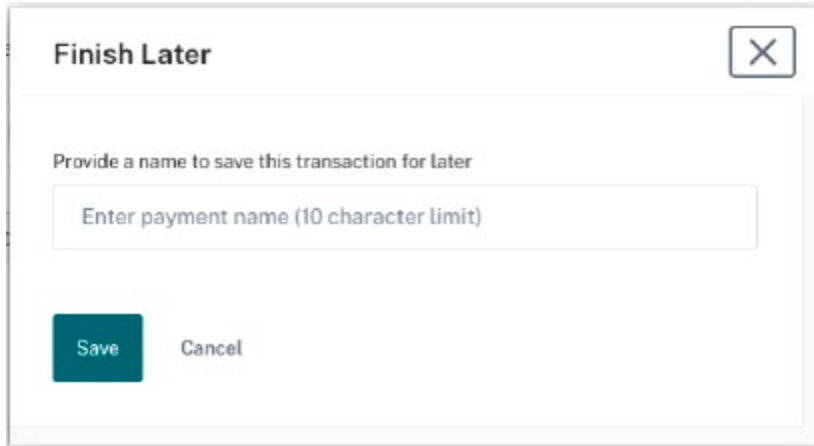
×

Do you want to delete this addenda? This action cannot be undone.

Delete Addenda

Cancel

- The user selects **Next** to go to the Processing Details page. To save the progress and return later to complete the payment, the user selects **Finish Later**. The user enters a payment name. Once the payment is saved, it is displayed in the Payments & Transfers list with an **Incomplete status**.



Finish Later [X]

Provide a name to save this transaction for later

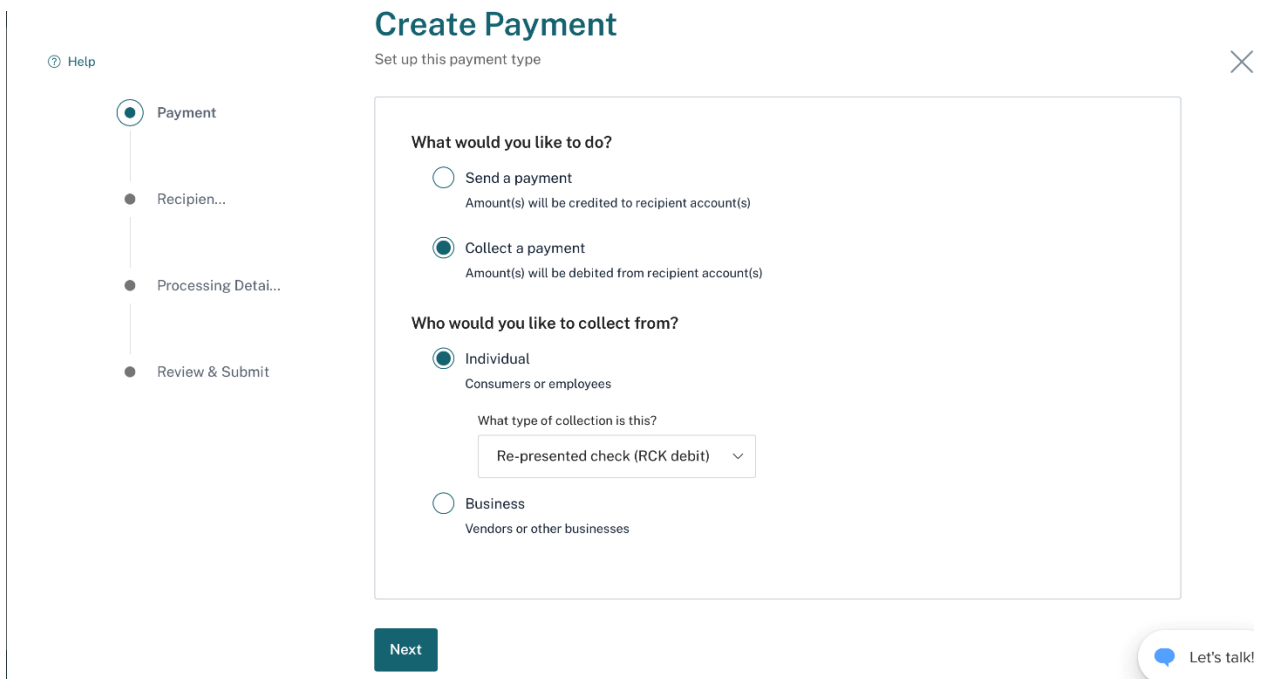
Enter payment name (10 character limit)

Save Cancel

Note: If the user has added a recipient and the system times out, the payment is displayed in the ACH Payments list.

Step 2: Add Returned Checks (for RCK)

- After determining the payment type of RCK, the user can add returned checks to the payment. Returned checks can be added to a payment manually or by using the file Import option.



Create Payment [X]

Set up this payment type

Help

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

What type of collection is this?

Re-presented check (RCK debit) ▾

☐ Business
Vendors or other businesses

Next

Let's talk!

- Clicking on **Next** opens the Add New Checks pop-up window. Here the user can use the right-hand side dropdown menu to either **Add New Checks** or **Import Checks**. Refer below:

Help

Add New Checks

Add checks and amounts for this collection. All changes are saved automatically.

Search recipient name or check #

Payment

Collect from individuals (RCK)

Recipien...

Processing Detai...

Review & Submit

⊕ Add New Checks

⊕ Import Checks

<input type="checkbox"/>	Name ▾	Account Type ▾	Account # ▾	Routing # ▾	Check # ▾	Amount ▾
No recipients yet. Use the Add Recipient button to begin.						
						Total \$0.00

Next Finish Later

Let's talk!

- To add a returned check, click on the **Add New Check** option to bring up the Add Returned Check pop-up window.

Help

Add New Checks

Add checks and amounts for this collection. All changes are saved automatically.

Search recipient name or check #

Payment

Collect from individuals (RCK)

Recipien...

Processing Detai...

Review & Submit

⊕ Add New Checks

⊕ Import Checks

<input type="checkbox"/>	Name ▾	Account Type ▾	Account # ▾	Routing # ▾	Check # ▾	Amount ▾
No recipients yet. Use the Add Recipient button to begin.						
						Total \$0.00

Next Finish Later

Let's talk!

Add Returned Check

Recipient Name

Account Type ▾

Account Number

Routing Number [Routing Lookup](#)

Check Number

Amount

\$ 0.00

Save Save & Add Another

- Once the pop-up window displays, the user can enter the following returned check information:
 - In the **Recipient Name** field, enter the name of the recipient. The name must match the name on the check.

- 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 of the check. If the Routing Number is unknown, the user can click on the **Routing Lookup** link to be taken to the Federal Reserve E-Payments Routing Directory to search for the number.
- In the **Check Number** field, enter the check number of the check that was returned due to insufficient funds.
- In the **Amount** field, enter the transaction amount to be withdrawn from the recipient's account, matching the amount for which the original check was written.
- The user can click **Save & Add Another** if they need to add more returned checks to their payment or click **Save** when they have finished adding returned checks.

Add New Checks

Add checks and amounts for this collection. All changes are saved automatically.

Payment

Collect from individuals (RCK)

Recipien...

1 Recipient
\$20.00

Processing Detai...

Review & Submit

Add Returned Check ▾

Show Filters ▾

<input type="checkbox"/>	Name ▾	Account Type ▾	Account # ▾	Routing # ▾	Check # ▾	Amount ▾
<input type="checkbox"/>	test	Checking	12312312312312312	454545454	123456789012345	\$ 20.00
						Total \$20.00

Showing 1 of 1 checks

Next

Finish Later

Let's talk!

- Returned checks saved from the Add Returned Check pop-up window populates on the **Add New Checks** table. The user can take the following actions on the **Add Returned Check** table:
 - Add more returned checks to a Payment by clicking the **Add Returned Check** button.

- Edit amount of the payment by clearing out the value and entering a new amount
- Edit details about the returned check by clicking on the recipient's name or by clicking on the action kebab and selecting **Edit Check** from the dropdown.
- Remove a returned check by clicking on the action kebab and selecting **Delete Check** 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 table.

Add New Checks

Add checks and amounts for this collection. All changes are saved automatically.

Payment

Collect from individuals (RCK)

Recipien...

1 Recipient
\$20.00

Processing Detai...

Review & Submit

Add Returned Check ▾

Show Filters ▾

<input type="checkbox"/>	Name ▾	Account Type ▾	Account # ▾	Routing # ▾	Check # ▾	Amount ▾	
<input type="checkbox"/>	test	Checking	12312312312312312	454545454	123456789012345	\$ 20.00	⋮
						Total	<div>Edit Check</div> <div>Delete Check</div>

Showing 1 of 1 checks

Next

Finish Later

Let's talk!

The user must select **Next** to go to the Processing Details page.

- To save the progress and return later to complete the payment, the user must select **Finish Later**. The user is asked to input a payment name, and the payment is displayed in the Payments & Transfers list in Incomplete status.

Finish Later

Provide a name to save this transaction for later

Enter payment name (10 character limit)

Save

Cancel

1. Step 3: Processing Details

- This step involves adding processing details to the payment.

Help

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

Select account

Payment is deposited into this account

Memo (optional)

Enter memo

Payment Frequency

Single

Payment Date ⓘ

MM/DD/YYYY

☐

Same Day Payment

Next

Finish Later

Let's ta

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.
- If ACH Company ID is enabled in the user's business profile, the Company ID and Company Name fields are editable. The Tax ID is selected by default and pre-filled with the Company ID and Company Name from their profile. They can

use the dropdown list if they wish to select 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 location
- User Defined ID - This is an identification number assigned by the company for controlling ACH payments
- 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, the user must select the payment frequency. The payment frequency tells the system if the payment should be rescheduled and how often. The user must click the **Single Payment** option from the dropdown if they only transmit this payment once. RCK payments can only be transmitted once. The possible Frequency options are:

- Single Payment - Payment are created only one time
- Occasional Payment - Payments are not automatically rescheduled but remain 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 of **unnamed** in case the user wants to edit for a future payment.

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 funds to be withdrawn from the recipient(s) 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 user misses a cut-off or if 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 the user 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 must add the last details needed to successfully submit the payment.

Help



Review & Submit

Review payment and submit for processing

Payment

Collect from individuals (RCK)

Recipien...

1 Recipient
\$20.00

Processing Detai...

Single Payment
Payment Date 02/01/2023
To Basic Checking *1001

Review & Submit

Add a name and description for this payment

Payment Name
REDEPCHECK

Payment Description (optional)

☐ Send prenotes to all unverified accounts ⓘ

Submit Payment

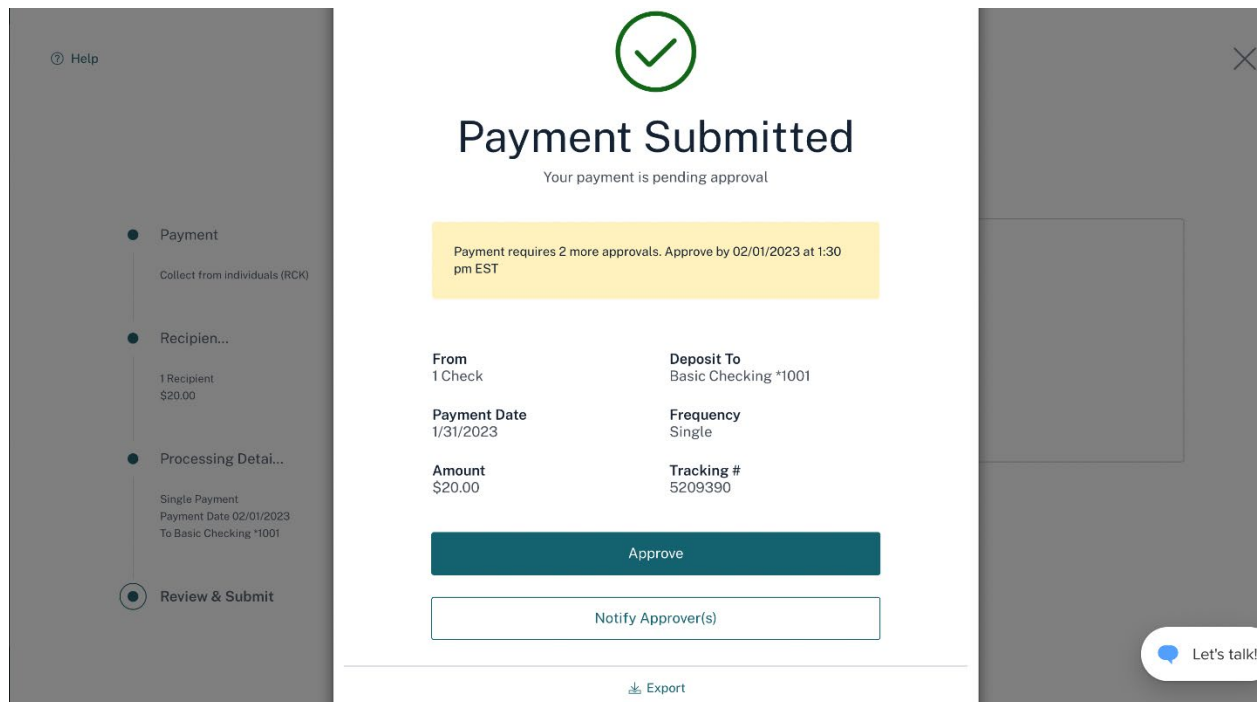
Finish Later

- 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. For RCK payments, **REDEPCHECK** defaults into this field. RCK payments must contain this value in the payment for successful processing.
- In the **Payment Description** field, enter an optional description for the payment, which 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 select 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 batch 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 can click **Submit Payment** to submit the payment for approval or click **Finish Later** if the payment is not ready to be submitted.

1. Step 5: Confirmation

- Once the user clicks on the Submit button, a confirmation pop-up window opens.



- The pop-up window displays the following details:
 - **Number of Approvals** required and **cut-off time** to meet the payment date selected.
 - **Deposit To** selected in processing details step.
 - **From** displays the recipient's name or the number of checks if the payment contains more than one returned check.
 - **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 if multiple approvals are required, a **Notify Approver(s)** button displays. Once they click the button, a pop-up window appears, listing other users with approval privileges. The user can

select one or multiple approvers to receive an approval request notification and click the **Send Notification** button to send the notification.

- 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 there are any warning messages present for the payment, the payment may not be processed.