

ACH: Payment Creation (Pay an Individual)

Creating a New Payment (Payments)

Pay an Individual

When sending a payment to an individual, the payment type is referred to as **Pay an Individual** in Step 1 of Create ACH Payment. **Pay an Individual** is a business-to-consumer Automated Clearing House (ACH) payment where the amount is debited from the originator's settlement account, and the payment amount(s) is credited to each recipient's account. These payments are sent to the ACH processor as a Prearranged Payment and Deposit (PPD) credit transfer. One common use of this payment type is for Direct Deposit. Direct Deposit is the electronic transfer of funds from a company or organization into an individual's checking or savings account. Many businesses use Direct Deposit as a safe, confidential, convenient, and cost-effective way to send payroll checks to their employees. Other examples of PPD Credit transactions are Direct Deposit of social security, expense reimbursements (pensions, dividends, bonuses), funding branches (agents or franchises), and annuity payments.

Steps to creating a new 'Pay an Individual' Payment:

To create a new Prearranged Payment and Deposit (PPD) payment to an individual, the user selects **New ACH Payment** under the Payments & Transfers menu or select **New ACH Payment** from the right-hand side dropdown menu on the ACH Payments list page. The user follows 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 two questions:
 - **What would you like to do?** The user can select **Send a payment** when the amount is credited to the recipient account(s).
 - **Whom would you like to pay?** The user can select **Individual** when they are paying a consumer or employee.
- Click the **Next** button.

Payment

Recipien...

Processing Detail...

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

Next

Let's talk!

2 Step 2: Add Recipients

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.

Search recipient name or contact ID

Add Recipients

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

Recipient

b

Barry Lawless

JL3948708

Checking 15201408763456677

Barry Lawless

JL3948708

Savings 78978978978978978

Next

Finish Later

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

Payment to individuals (PPD)

Recipients

0 Recipients
\$0.00

Processing Details

Review & Submit

Search recipient name or contact ID

Name Contact ID Account Type Account # Routing #

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

Total \$0.00

Next Finish Later

Let's talk

- Choosing the Add Recipient pop-up window, the following screen opens:

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

- Recipient(s) saved from the Add Recipient pop-up window populates on the **Add Recipient** table. Refer Below:

Label

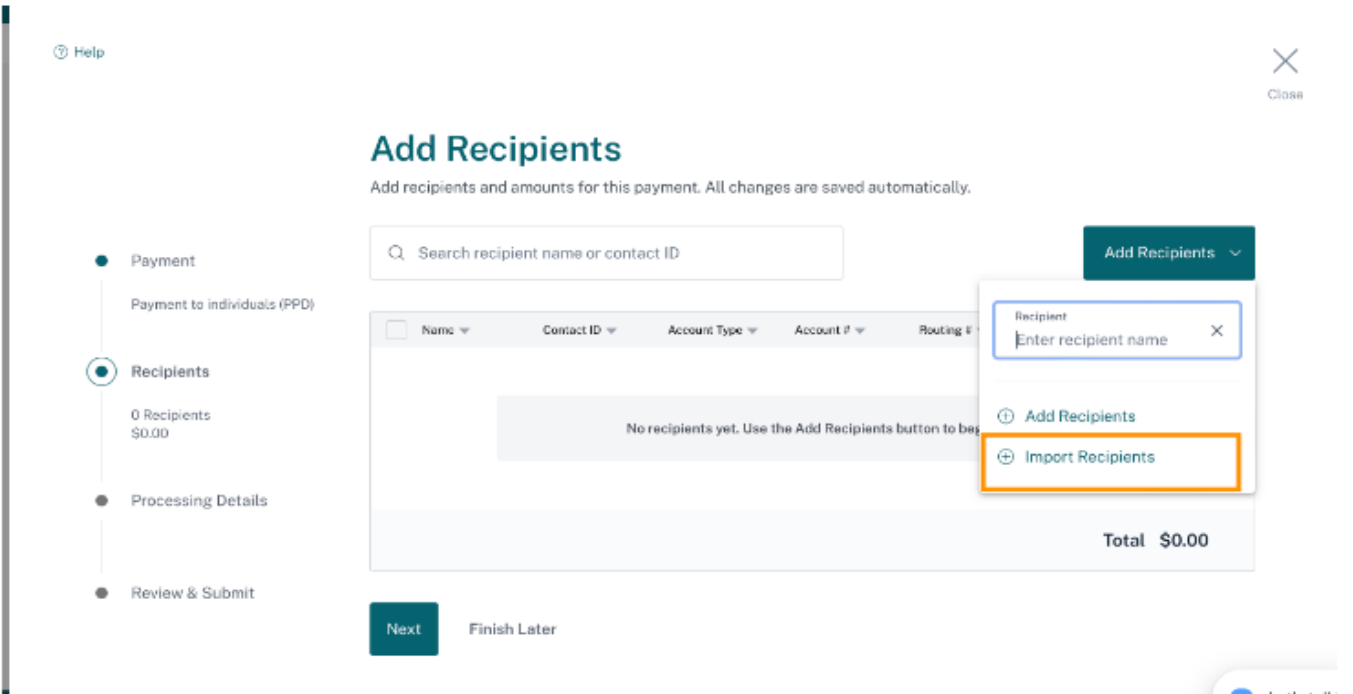
Input

Recipient Name

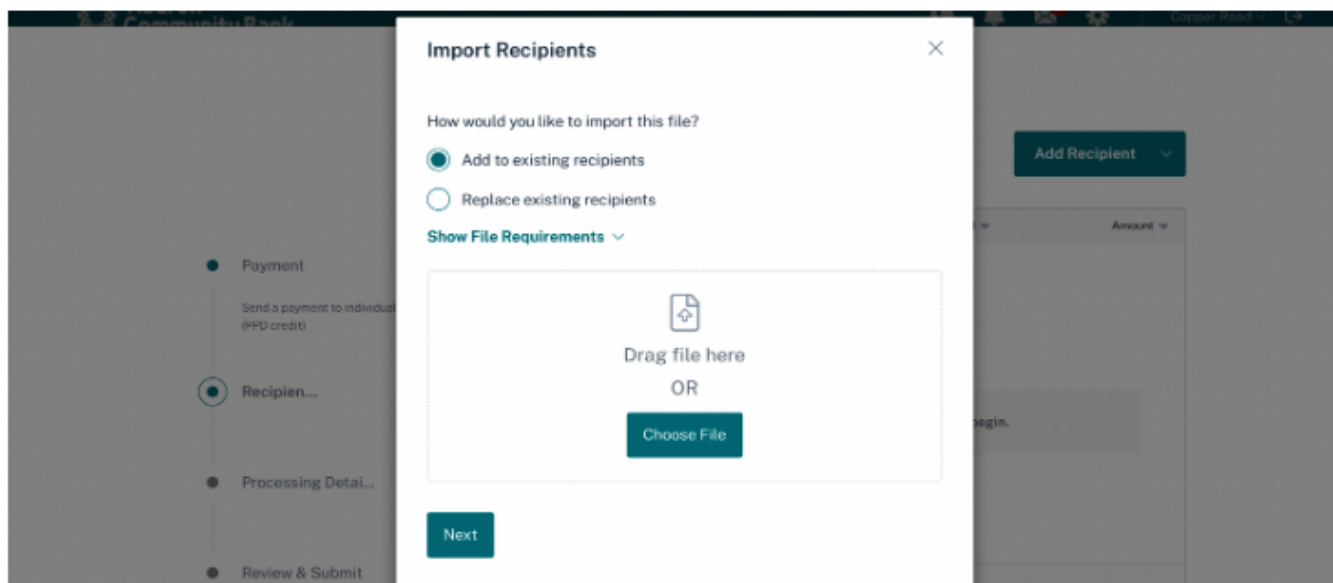
22 characters maximum

Custom ID (optional)	Unique ID for the recipient that can include special characters
Account Type	Checking, Savings or Loan
Account Number	17 characters maximum
Routing Number with lookup icon	Requires 9-digits. Lookup icon takes the user to the Federal Reserve Routing Directory at https://www.frb services.org/resources/routing-number-directory
Amount	Numerals only
Add to my Contacts	The user can select this checkbox to add the newly created contacts to the Contact list.
Add Addenda	When the collection is PPD and WEB payment, the user can Add Addenda but not in RCK or TEL collections

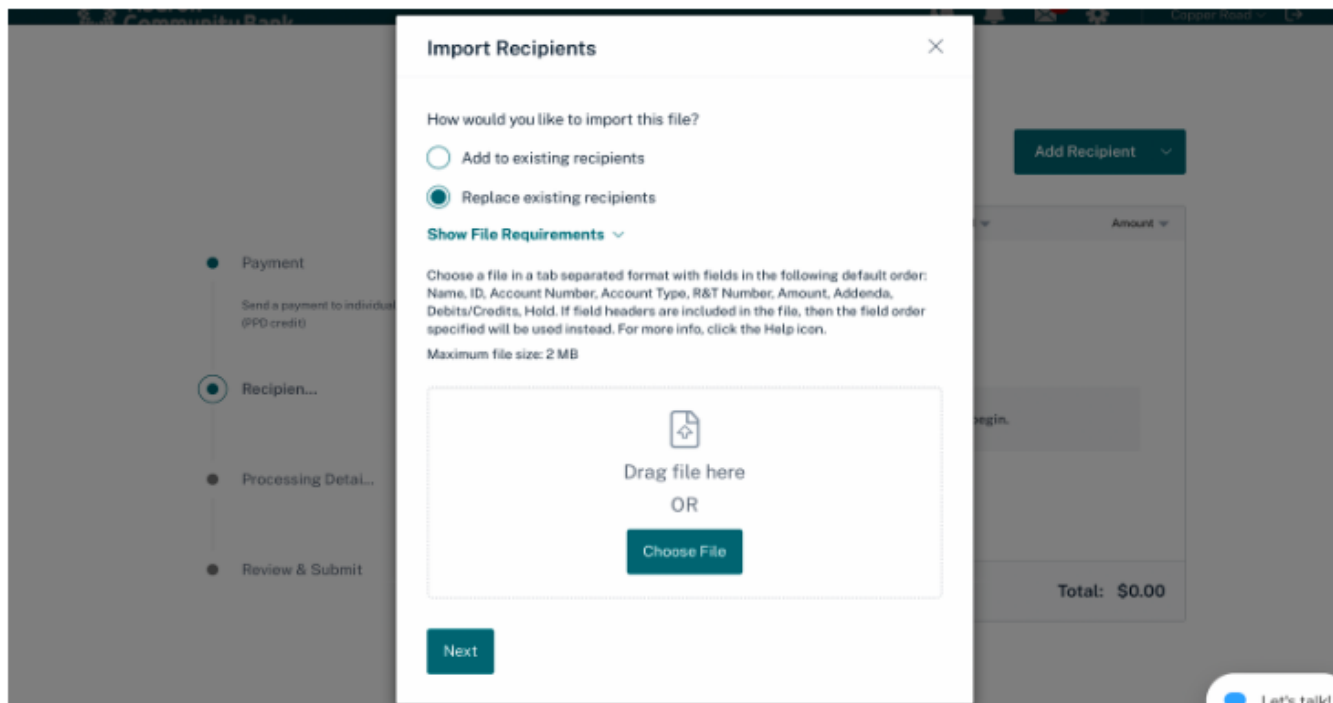
2.3. Finally, imported from Import Contacts: the user can choose to import the recipients by choosing the **Import Recipients** option as shown below:



- 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.



The users must choose between **Add to existing recipients** & **Replace existing recipients**. Additionally, they can view the **File Requirements** to upload a file. Refer below:



- There are validations on all required fields EXCEPT for Amount. Amount, while a required field to create a payment, is optional on the pop-up window as users can elect to input the amount on the Add Recipient table after clicking the **Save & Close** button on the pop-up window.
- Users can keep adding multiple recipients by clicking the **Save & Add Another** button.

- To finish adding recipients, users can click **Save & Close** upon inputting the last recipient or click on Save & Add Another, and then click the X in the upper right corner of the pop-up window.
- Once a recipient is added, the user cannot go back to Step 1 to change the payment type
- When all amounts are input, the total amount of the payment is displayed in bold at the bottom of the Amounts column.
- The user can select the checkbox **Add to Contacts** to add the newly created contacts to the Contact list.
- When at least one recipient is added, the payment is saved to the ACH Payments list. If the user **has NOT** clicked on **Finish Later**, the payment shows in the list as 'Unnamed'. If the user **has** clicked **Finish Later**, they are prompted to add a Payment Name.



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

Add Recipients

Add recipients and amounts for this batch

Add New Recl... ▾

<input type="checkbox"/>	Name ▲	Custom ID	Account Type	Account #	Routing #	Hold	Amount
<input type="checkbox"/>	Leslie Smith	LS123817	Savings	190758	021000018		\$ 5,020.10
Addenda Add2347CCXccwidqwerjear Edit X							
<input type="checkbox"/>	Nigel Baker	NB1239817238	Checking	3987014	123123123		\$ 6,500.02
Add Addenda							
							Total: \$11,520.12
Showing 1 of 2 recipients							

Next

Finish Later

- The users can take these actions on the recipient table:
 - Edit amounts
 - Edit recipient details by re-engaging the pop-up window
 - Remove the recipient from the table
 - Place recipient on hold

- Add and delete recipient addenda(s)
- Finish the payment later
- 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, the user 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.

<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

- To delete the addenda, user can click the trashcan icon to receive a confirmation pop-up window that this action is irreversible. Once user selects **Delete Addenda**, the addenda field is cleared.

Delete Addenda

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

Delete Addenda
Cancel

- If user is ready to proceed to the next step, they can click the **Next** button to go to the Processing Details page.
- If 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 is displayed 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.

Finish Later

Provide a name to save this transaction for later

Enter payment name (10 character limit)

Save

Cancel

- 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.

Save Transaction

Save and finish this transaction later or delete it permanently.

Save & Finish Later

Delete

Cancel

4 Step 3: Processing Details

- This step involves adding processing details to the payment.

Help

Processing Details

ACH Cut-Off Times: 6:30pm, 12am IST

Single 3321

Payment

Payment to individuals

Recipients

1 Recipient
\$3.33

Processing Details

Review & Submit

Funding Account

Business Acct *1001

Payment is withdrawn from this account (Balance: \$5,193.85)

Company ID

123456789 (Cust: rbbcomm3)

Tax ID

Memo (optional)

Enter memo

Payment Frequency

Single Payment

Payment Date

1/24/2023

Prohibit payments that fall on non-business

days will be made on the previous business day

Next

Finish Later

- From the **Funding Account** dropdown list, the user can select the account to be debited for the total amount of the payment. The dropdown contains all accounts the user has privileges for based on the payment SEC code. The day when the account is debited depends on the risk level as follows:
 - Early Risk - The settlement account is debited three business days before the Effective Date
 - Normal Risk - The settlement account is debited two business days before the Effective Date
 - Float Risk - The settlement account is debited on the Effective Date
- 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.
- The **Payment Frequency** dropdown list, select the frequency of the payment. The frequency of a payment tells the system if the payment should be rescheduled. Click the **Single Payment** option from the dropdown if the payment is being transmitted only once. The possible Frequency options are:
 - Single Payment - Payments 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
 - Recurring Payment - Payments are automatically rescheduled but require approval each time unless the checkbox to Auto-approve all items in the series is selected. 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 preview showing up to 6 upcoming payments in the series, is displayed. If credit payment in the series falls on a non-business day, the payment is the next business day.
- **Payment Date** is the date that the user wants the recipient to receive the funds. 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 is displayed if the cut-off date is missed or if the selected date does not match the risk level for the business.
- **Same Day Payment** option is displayed 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.

4 Step 4: Review & Submit

In this step, the user can add the last details needed to successfully submit the payment.

- In the **Payment Name** field, the user can enter a company entry description which accompanies the payment.
- In the **Payment Description** field, the user can enter an optional description for the payment which does accompany the payment.
- To mark a payment as confidential, the user can select the **Mark payment as confidential** checkbox. This option is available if the user has confidential privileges, and is assigned by SEC code. Once selected, the user can select who can view the payment. The other user must also have confidential privileges for that payment SEC code.

- The user clicks **Submit Payment** to submit the payment for approval. Click **Finish Later** if the payment is not ready to be submitted.

help

Single 3025

Review & Submit

Review payment and submit for processing

- Payment
 - Payment to individual
- Recipients
 - 1 Recipient
 - \$3.33
- Processing Details
 - Single Payment
 - From Business Acct *1001
- Review & Submit

Add a name and description for this payment

Payment Name

Payment Description (optional)

☐ Mark payment as confidential ⓘ

☐ Send prenotes to all unverified accounts ⓘ

Submit Payment Finish Later

5 Step 5: Confirmation

Once the user clicks on the Submit button, a confirmation pop-up window opens with the following information:

- **Number of Approvals** required and **cutoff time** to meet the payment date selected.
- **Funding is** selected in the processing details step. **To** displays the recipient's name or 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 credit 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 full privileges or multiple approvals are required, a **Notify Approver(s)** button is displayed. Once the button is clicked, a pop-up window appears listing the users who have approval privileges. The user can select one or multiple approvers to receive an approval request notification and click **Send Notification** button to send the notification.
- Payments can be exported to a TSV or a NACHA formatted file by clicking on the **Export** link.

A payment is successfully created, and it is displayed 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.

How did we do?



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