ACH Origination Guide

Purpose

The purpose of this guide is to outline the most common features and steps of ACH origination. This system uses batches of records to process external debits and credits. Each client is uniquely set up for their ACH needs and may not have access to all features discussed here.

Terminology

A **record** is a single ACH recipient and may be an individual account or a business account.

A **batch** is a group of records intended to receive funds at the same time.

How To Guide Sections

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FORTIS BANK

Get Started

1. Login to your online banking account.
2. Navigate to Cash Management from the left-hand side menu.
3. Enter the Secure Token from your VIP Access App.

Setting Up a New Batch

1. Select the ACH option under the ACH Batch List to create a new batch.
2. Select the appropriate ACH Company Name from the Create a new batch for menu.

3. Create the Batch
   All fields with an asterisk (*) are required.

   Batch Name*: for internal purposes to understand the purpose of the batch.
   SEC Code*: select either PPD or CCD:
         PPD: sending to personal account(s); i.e. payroll
         CCD: sending to a business account
   Discretionary Data: leave blank
   Entry Description*: brief description of the batch purpose; may be the same as the Batch Name.

   Once completed, select *Submit* to enter recipient information on the next page.

4. Entering Initial Records
All fields with an asterisk (*) are required.

Item Information:

Name*: enter in recipient's first and last name.
Amount*: Amount sending to recipient.
    Note: if debit is requested/approved this would be the amount being pulled from the recipient.
Addenda Type: change from **00** to **05** to include optional information in Addenda field.
Addenda: include optional information (i.e. invoice number).

Receiving Financial Institution Information:

Routing Number*: the ACH routing number of the recipient's bank.
Account Number*: the account number of the recipient
Account Type: checking or savings; ensure the correct account type is selected.
Transaction Type:
    Credit is to *send* funds to recipient
    Debit is to *withdraw* funds from recipient.
    Note: Debit is not immediately available, if needed please contact a Fortis team member.

Once completed, select *Submit*.

Other Options

Quick Add: saves current record and opens a new screen to enter more recipients.
Add Multiple: select to set up multiple (up to 15) records at once.

Once finished entering new recipients, submit twice to save information and return to original screen (Cash Manager > ACH). Batch will be listed in **Ready** status.

Adding, Removing & Editing Recipients/Records

1.   From the batch list, locate the batch you wish to edit.
2.   To edit the amounts only, select *Quick Edit* from drop down menu.
3.   On the right-hand side, select *Edit* from drop down menu:
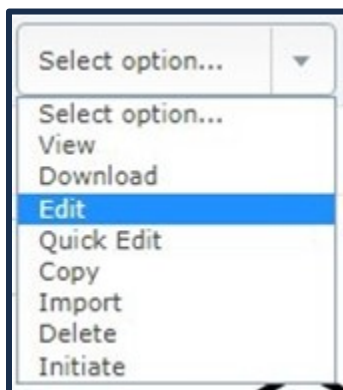
4.   To delete a record, select *Delete*.
5.   To add a new record, select *Add Item.*
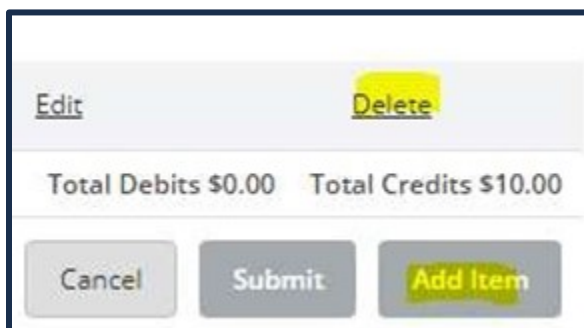
Transmitting an ACH Batch

All fields with an asterisk (*) are required.

1. When the batch is setup and ready to be processed, select *Initiate* from drop down menu.
2. Conduct a final review ensure the amounts are correct.
3. Enter the <u>Effective Date</u>*: the date you would like the payment to be effective into the recipient's account.
   Best Practice: transit the batch two (2) days before it is effective.
4. Select the box to reset amounts to $0 once this batch has processed if desired.
5. Select *Initiate*. Batch will be listed with *Initiated* status.

Important Notes

A Batch will be in *Initiated* status once it has been successfully transmitted.

DO NOT DELETE a batch that is in *Initiated* status, as this will prevent it from processing. Batches will remain in system ready to be re-used unless manually deleted.

Cut-off time for an ACH is **4:25pm MT** for a batch to be sent on same business day.
- Recipients should expect to receive funds within two (2) business days.
- **Best Practice**: select an effective date two (2) days prior to when the batch is being transmitted.

After a batch has been initiated, the status will return to *Ready* to be used again in the future.