

ACH Payment Methods

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Agenda

- Background
- Payment Trends
- Why ACH?
- ACH Related Functionality
- Email Advice Options
- Troubleshooting
- Electronic Format

Background

- Per State Accounting Office Policy:

The State's policy is to pay for goods and services in the most efficient, effective, and least costly manner possible while providing adequate controls over the processing of vendor invoices and payments.

<http://sao.georgia.gov/accounts-payable-0>



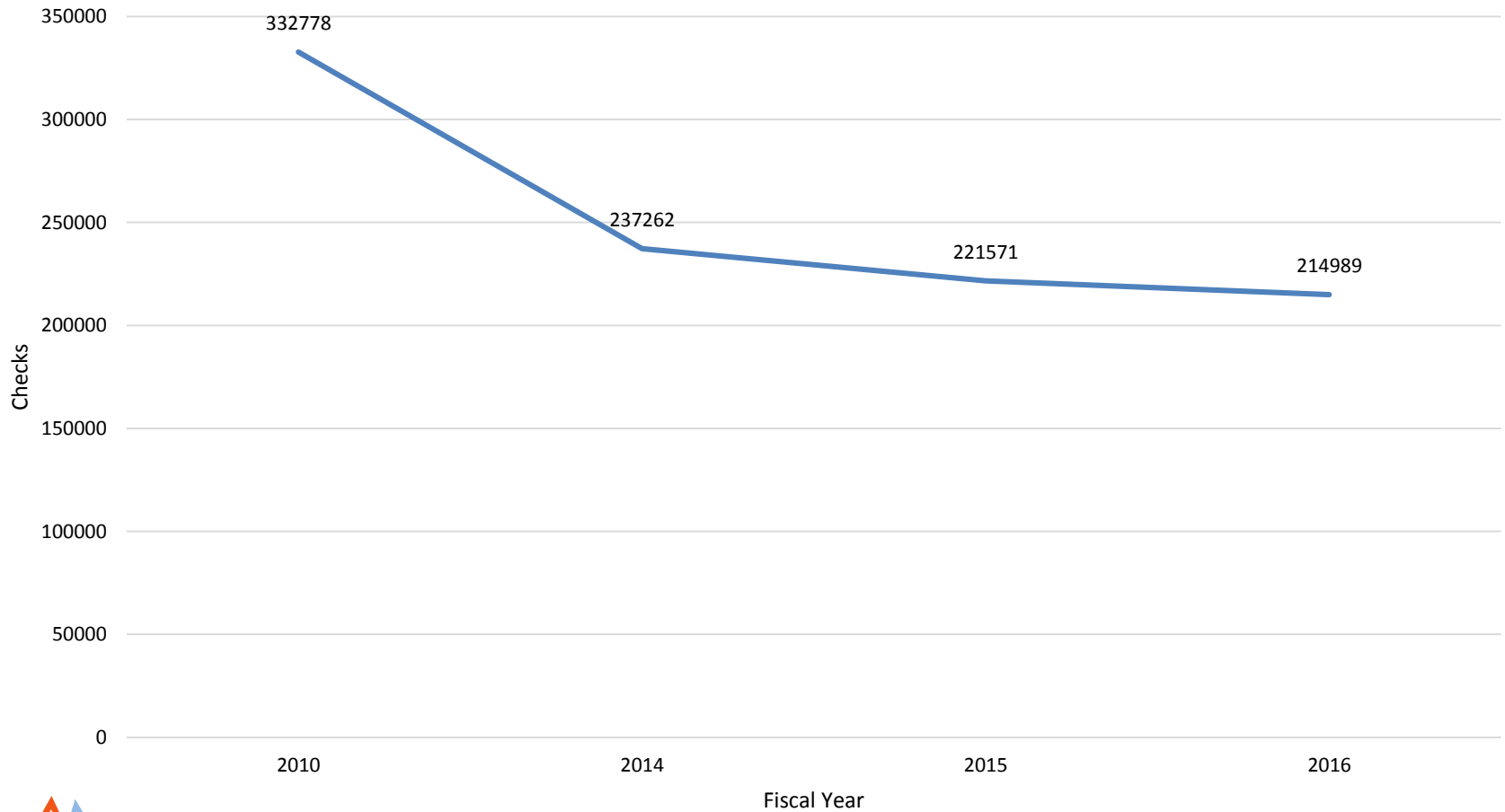
Background

- SAO Policy applies to all State Organizations, including University System of Georgia.
- Shelley Nickel sent email 4/15/2016 with highlights of the policy to pay attention to:
 - Vendor payments should generally be accomplished by ACH, purchasing card or e-Payables as these are the most cost-effective means of payment
 - Vendor payments by check or wire transfer should be done on an exception basis only
 - Wire transfer should be used as a payment means of last resort

USG's Payment Trends

- FY2016 - 214,898 of 270,899 payments were checks
- 21 of 27 Institutions paid suppliers via ACH or EFT in 2016

Check Payments by Year



Why ACH?

- FY2016 Year-End Workshop Presentation by SunTrust “Fraud Update: *What We All Should Understand*”



Why ACH?

- By converting to ACH, we can reduce costs for:
 - Printing
 - Postage
 - Check Stock
- Over 800,000 active suppliers. 64,023 suppliers are currently configured to be paid via the ACH/EFT payment method (8%).

v9.2 ACH Related Functionality

- For electronic payments, Institutions have the option of enabling ACH email notifications.
- This process sends the supplier a copy of the advice and lets them know they can expect a direct deposit to their bank account in 1-2 business days.

Payment Advice Notification

Dear Customer,

Attached is the Payment Advice that we have processed. The payment date reflects the date at which the payment is processed by our bank. Prior to utilizing the funds, please check with your bank and ensure that the funds have been deposited.

This email is intended only for the individual or entity to whom it is addressed and may be a confidential communication privileged by law. Any unauthorized use, dissemination, distribution, disclosure, or copying is strictly prohibited. If you have received this communication in error, please notify us immediately and kindly delete this message from your system. Thank you in advance for your cooperation.

Payment Advice

Payment Advice

22 August 2016 10:51:42 AM
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University System Office

To:

Supplier Name: Atlanta Lightning Protection, Inc.
Supplier Address: 5292 Oakdale Road SE
Suite #9
Smyrna GA, 30082
USA

Payment Information

Payment Reference: 017712
Payment Date: 06/29/2016
Payment Method: Automated Clearing House

Bank To Information:
Bank To Account:

Bank ID	Bank Name	Branch ID	Branch Name
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Invoice Number	Invoice Date	Voucher ID	Gross Amount	Discount Taken	Late Charge	Paid Amt
ACHEMAILTEST1 JB	06/30/2016	05310795	20.00	0.00	0.00	20.00
		PAYMENT TEST MESSAGE 1 - FTEST2 JB MESSAGE TEST				
paymentmessaget est 2 jb	06/30/2016	05310796	2,310.00	0.00	0.00	2,310.00
		multiple payments email advice test. should be combined in 1 email				
		Total:	2,330.00	0.00	0.00	2,330.00 USD

v9.2 Enhanced Functionality

- ACH Payment Notification Metrics
 - Process has been ran 319 times by 13 different Institutions
 - 13,220 active suppliers set up with e-mail for payment advice

How to Setup ACH Payment Notifications

- Navigate to Suppliers > Supplier Information > Add/Update > Supplier.
 - Select Correct History
 - Click on the Location Tab
 - Find the ACH location (REMITACH)
 - Click the payables link
 - Scroll down to Payment Notification and enter the Email information.
 - Click Save

eMail Advice

- Multiple e-mail addresses added

▼ **Payment Notification**

Enable Email Payment Advice Email ID

Enable FG Remittance Advice

Payment Method Selection		Personalize
Payment Method		
1	Automated Clearing House	

Email Advice Options

- Can put multiple e-mails in the payment advice
- Can include team AP mailbox as the supplier e-mail
- Can view the e-mails that were sent out in the process monitor
- Make sure you turn on pay cycle preference to Print Email ACH/EFT Advice
- Expenses has separate option for EFT notifications

Email Advice Options

- Quick way to see which suppliers are set up for your Institution.
 - Query the VENDOR_PAY table in PeopleSoft. EMAILID is the field that the email address will be in.
- Institutions can change the email address for their own CAT suppliers.
 - Any SHARE updates will not overwrite changes you make to your CAT supplier e-mail.

Troubleshooting

- If supplier doesn't get e-mail advice:
 1. Confirm their firewall will allow e-mails from your Institution and from all usg.edu e-mail addresses.
 2. e-Mails are routed through different servers here at ITS. The from e-mail that each Institution sets up is not the e-mail address the notification is coming from. That is only the reply to e-mail should the supplier have questions about the payment.
 3. Contact ITS. We can have an e-mail sent again to a certain supplier if needed.

Pay Cycle Preferences

Favorites ▾ Main Menu ▾ > Accounts Payable ▾ > Payments ▾ > Pay Cycle Processing ▾ > Payment Selection Criteria

ORACLE® All Search >> Advanced Search

Dates Preferences Source / BU Bank / Method Pay Group / Netting Draft Options

Pay Cycle 98ACH ACH Pay Cycle
Pay From Date 07/01/2015 Pay Through Date 09/09/2016 Payment Date 09/09/2016

Use Supplier Pay Group
 Process EFT/ACH Pre-Note
 Print LC Advice
 Automatic Increment Dates
 Email Payment Advice
 Print Email ACH/EFT Advice

Include Lost Discount
 Process Bank Charges
 Calculate Value Date
 Use Recipient's Pref. Lang.
 Suppress Zero Amount Check

Report Output BI Publisher
Preferred Language English
Printer Output Format PDF
*Approval User Approval
*Netting Option Not Applicable
*Step Group Model All pay cycle steps

Credit Options
Credit Vouchers Process When DRs >= CRs
*Date Limit No Date Limit

Notification
Payment Error User ID
Payment Advice User ID SMAYWEATHEF

Bank Replacement Rule
SetID 98000 Rule Name WELLS

Minimum Amount Limits
Per Paycycle 0.000 Currency Code
Per Payment 0.000 Rate Type

Check Payment Message
Message

Save Return to Search Notify Refresh Add Update/Display

Dates | Preferences | Source / BU | Bank / Method | Pay Group / Netting | Draft Options

AP_EMAIL_ADV

Successfully completed for SetID: 21000, VNDR ID: 0000403735, LOC: MAIN, Email ID: jullien@newhigher.com. (7015,410) End Email Payment Advice. 1 email(s) send, 0 error(s). (7015,372)

[View Log/Trace](#)

Report

Report ID	8147266	Process Instance	9087410	Message Log
Name	AP_EMAIL_ADV	Process Type	Application Engine	
Run Status	Success			

Email Payment Advice

Distribution Details

Distribution Node	DNODE	Expiration Date	12/11/2016
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File List

Name	File Size (bytes)	Datetime Created
AE_AP_EMAIL_ADV_9087410.stdout	518	09/12/2016 12:45:36.601152PM EDT
AE_AP_EMAIL_ADV_9087410.trc	2,248	09/12/2016 12:45:36.601152PM EDT

File Formats Available

- PPD (Prearranged Payment and Deposit)
 - EFT Payments
 - Used only for payments to individuals like Expenses/Employee reimbursements
 - When switching to a new bank, they will expect you to be paying suppliers via ACH

CCD+ v/s CTX Format

- Two ACH formats
 1. CCD+ - Cash Concentration or Disbursement
 2. CTX - Corporate Trade Exchange
- Difference between the formats:
 - You can have up to 9,999 addendum records in CTX format, where as CCD can support one addendum record
 - Character limitations with CCD+ format
 - CTX should be used if you have multiple vouchers being paid in one payment and you want to include all of the detail from each voucher being paid in the file

