

# How Do I Set Up Accounts Payable for Electronic Funds Transactions (EFT)

## Required Permissions for EFT Processing

### In System Administration

In order to set up and use the EFT functionality, there are a few Permissions that will need to be assigned through the System Administration application.

#### Accounts Payable

Maintenance

Vendors

Modify Vendor EFT

This permission will allow the user to set up a vendor with whom you will transact the electronic transfers.

#### Accounts Payable

Checks

Create Electronic Files

Create EFT Pre-note File

This permission will allow the user to create a “test file” after a vendor is entered that will be passed to the bank for validation. This step is also necessary for the school to confirm that THEIR bank information is correct.

#### Accounts Payable

Maintenance

Checks

Cash Disbursements

EFT File

This permission will allow the user to create the actual EFT file that will be passed to the bank for processing.

### In Accounts Payable

Next, set up the school to transact in EFT.....AP> Maintenance> Administration Maintenance>Accounts button.... select the Bank account and click on the Electronic Funds Detail tab.

<b>Bank Account EFT Set Up Information</b>	
<b>Routing/ABA Number</b>	<b>11301390</b>
Bank account's routing number	
<b>EFT Code</b>	<b>1</b>
ACH Record Type Code	
<b>Company ID Prefix</b>	<b>1 – EIN (may be provided by your bank)</b>
What type of number are you using to ID your company	
<b>ACH Company ID</b>	<b>02-0223317</b>
Federal Tax ID	
<b>Entry Description</b>	<b>AP EFT PMT</b>
Description of the transmittal type	
<b>Header Record Ref.</b>	—
Currently not required	
<b>Entry Class Code</b>	<b>PPD</b>
Type of transactions being passed (PPD is the usual selection)	

IMMEDIATE ORIGIN INFORMATION		TELLS BANK WHAT ACCOUNT TO TAKE/DEPOSIT \$\$\$\$ TO OR FROM
<b>Routing No. Prefix</b>		
No entry – file indicates use Transit/Routing No		-
<b>Transit/Routing No.</b>		
Checked flag indicates <b>USE ROUTING NUMBER</b>		
<b>Other Routing Number</b>		-
Number other than Routing No that identifies the account (usually provided by the bank) aka DFI number No entry – file indicates use Transit/Routing No		
<b>Create Offset Transaction</b>		<b>Box is checked/unchecked</b>
If the respective bank requires an offset transaction this field must be checked		

Checking Account Detail

Account | Electronic Funds Transfer Detail | Export & Import Files

Details

Routing/ABA No. 11301390

EFT Code 1

Company ID. Prefix 1-EIN

ACH Company ID 02-0223317

Entry Description AP EFT PMT

Header Record Ref.

Entry Class Code PPD

Immediate Origin

Routing No. Prefix

Transit/Routing No.

Other Routing No.

Last Transaction No. 0000001012

Create Offset Transaction

Control Record Information

No.	Control String	Default
1		<input checked="" type="checkbox"/>
2		<input type="checkbox"/>
3		<input type="checkbox"/>
4		<input type="checkbox"/>
5		<input type="checkbox"/>

OK Cancel

## Vendor Account EFT Set Up Information

### Disbursement Information section of Vendor Record

**(NOTE: Bank Name Routing No, and Account No will ONLY be active IF EFT is selected)**

**Bank Name**

**Sample Bank and Trust**

Vendor's bank name

**Bank Routing No.**

**987456321**

Provided to school by the Vendor

**Bank Account No.**

**000007**

Provided to school by the Vendor

### Payment Method

How will Vendor receive payment

**Check**

Vendor will be paid by paper check

**EFT**

Vendor will be paid via Electronic Funds Transfer process

**EFT Pre-Note**

Will only be checked until a "test" file is generated and passed to the bank to be validated

Vendor Maintenance - ( 123001 - 1-2-3 Lock-Key & Security )

Vendor Info | G/L Dist. | Products | Unpaid | History | Campus Store History | Purchase Orders | Media | Comments | Users

1099 Information

1099 Type  Federal I.D.

This Cal. Year Amt. \$0.00

Last Cal. Year Amt. \$0.00

1099 Name 1-2-3 Lock-Key & Security

Vendor Information

Terms  /  Net 30 Due Day

Acct. No.

Temporary Vendor

Employee

Misc. Information

Class Code

Usage Type

Ship Via

Disbursement Information

Payment Method  Check  EFT  EFT Pre-Note

Bank Name Sample Bank and Trust

Bank Routing No. 987456321

Bank Account No. 0000007

Bank Account Type  Checking  Savings

W9 Status

W9 Received

Date Received

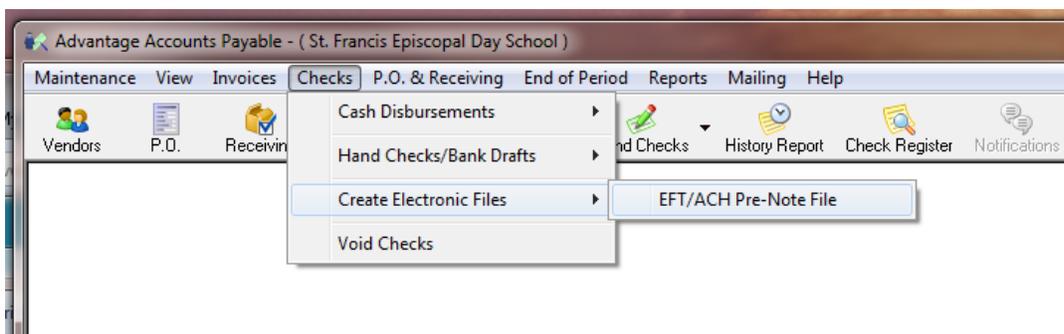
Active  Miscellaneous Vendor  Separate Check

OK Cancel Print Mail Delete

NUM

## Testing New School and Vendor Account Setups

Once the accounts are set up in Senior, the user must create a Pre-Note file to manually provide to the bank to ensure all the settings are correct (Ascendance does not transact with the bank directly). Each new Vendor set up for EFT will have the EFT Pre-Note flag turned on automatically.

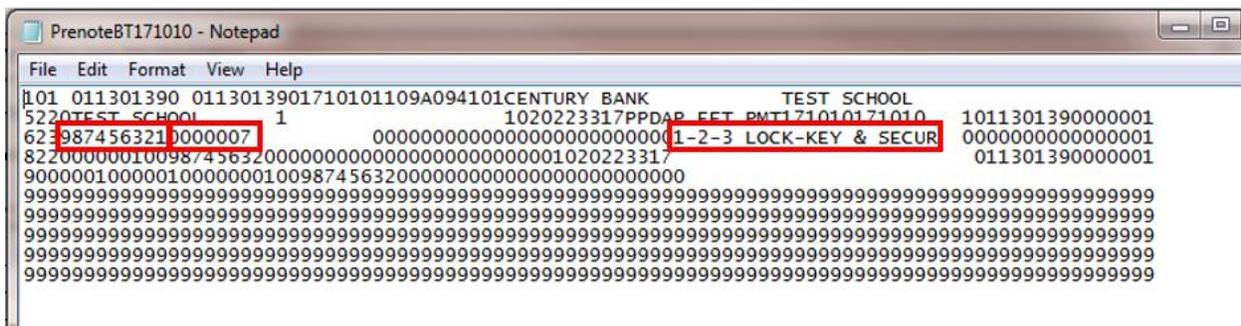




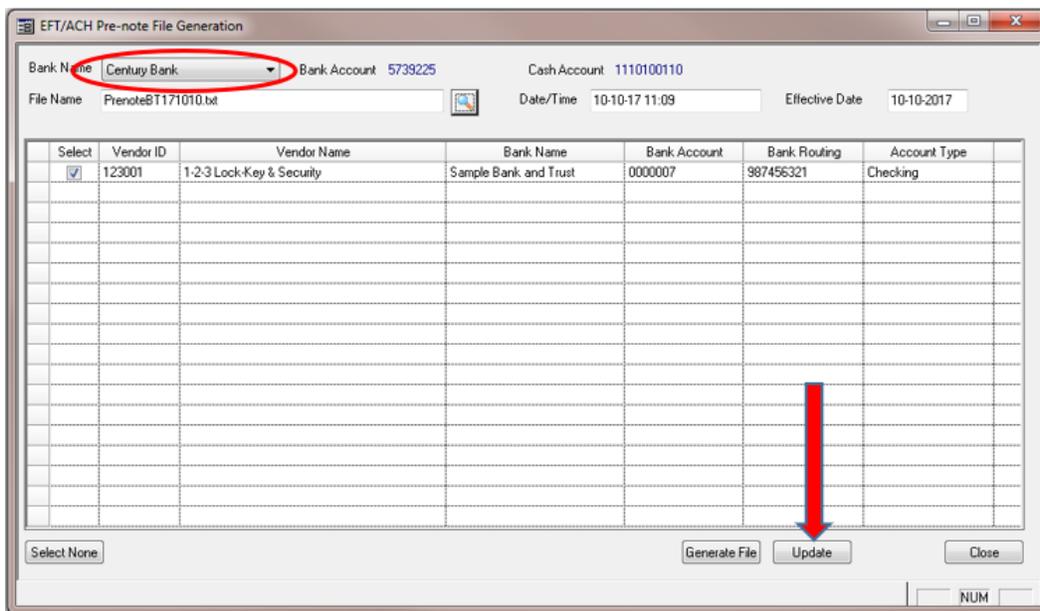


Vendor info:

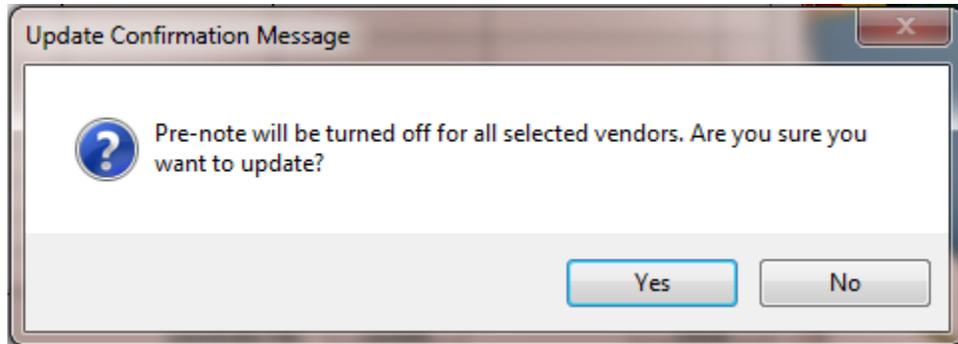
<b>Vendor Name</b>	<b>1-2-3 Lock-Key &amp; Security</b>
<b>Bank Routing No.</b>	<b>987456321</b>
<b>Bank Account No.</b>	<b>0000007</b>



Upon confirmation from the bank that the initial layout is acceptable, the process of EFT may be used within Senior. First, the Pre-Note designation will need to be removed from all EFT vendors, to allow for actual EFT processing. Go back to the list of EFT vendors, make sure the correct bank is selected, and click **Update**.

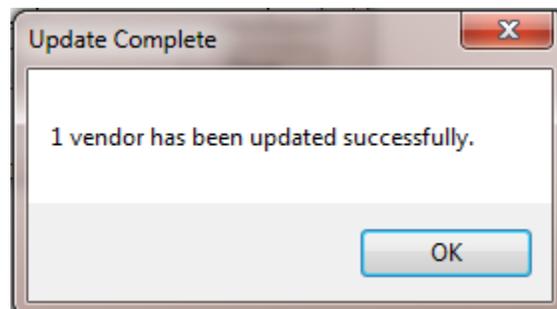


A confirmation message will appear, to identify that the vendors selected will have the Pre-Note option turned off.



Click **Yes** to proceed.

A second confirmation message will appear, confirming that the Pre-Note option has been turned off.



Click **OK** to proceed.

All vendors should now be available for EFT transacting.

## Processing Actual EFT File for the Bank

### Accounts Payable

1. Create an AP invoice batch and post it.

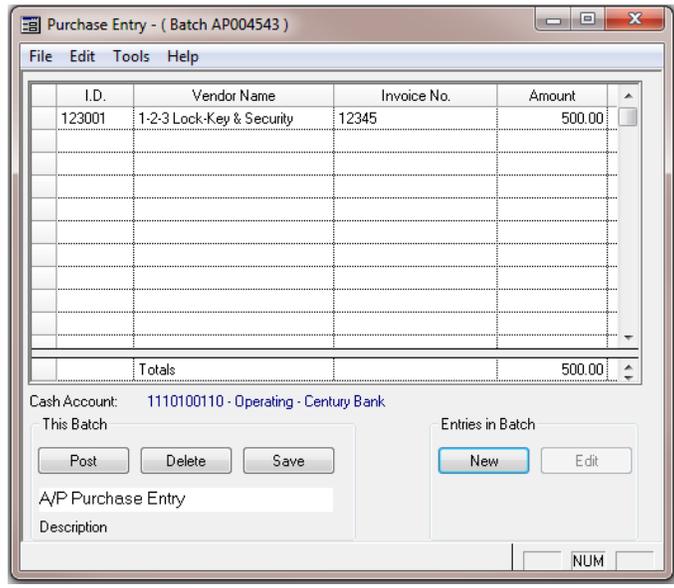
The screenshot shows the 'Purchase Entry' window with the following details:

- Vendor Information:** I.D. 123001, Name: 1-2-3 Lock-Key & Security, Address: P.O. Box 456, City: New Hampton, State: NH, Zip: 03256, Phone: 603-744-3053.
- Invoice Information:** Number: 12345, Date: 10-10-2017, Due Date: 11-09-2017, Amount: 500.00, Desc.: (empty), Terms: (empty) / Net 30 or Due Day (empty), Proj.: (empty), Media: (empty), Payment: EFT (selected).
- General Ledger Account Distributions:** A table with columns: Account No., Sub Ledger, Dist. Amt., Invoice Description, Account Description. The table shows a DISTRIBUTION TOTAL of 0.00 and a BALANCE of 500.00.

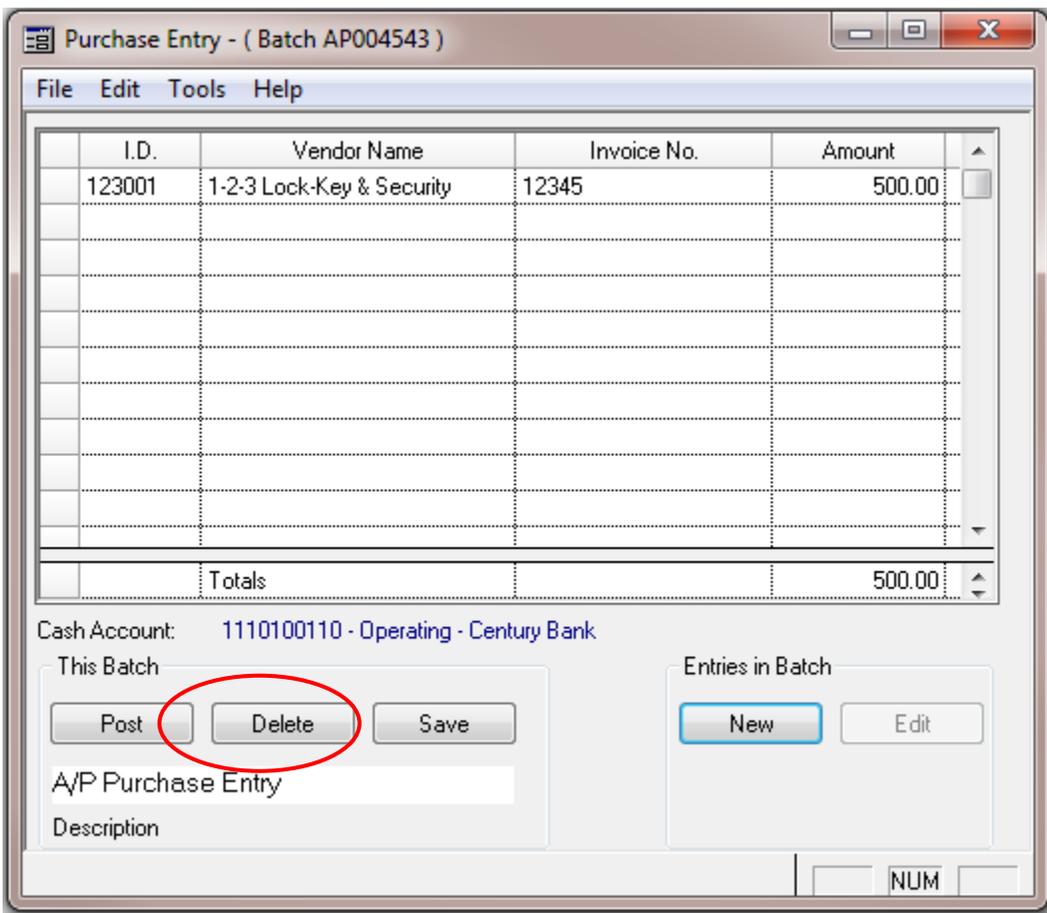
Account No.	Sub Ledger	Dist. Amt.	Invoice Description	Account Description
DISTRIBUTION TOTAL		0.00		
BALANCE		500.00		

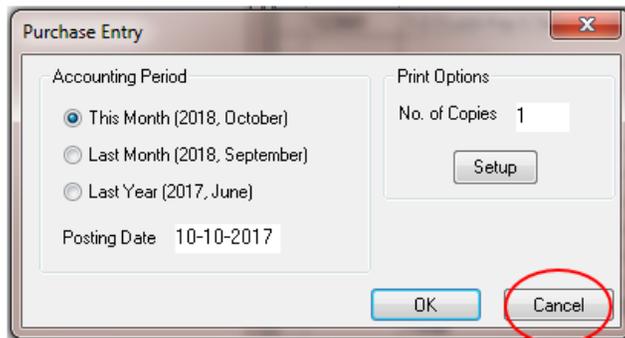
For any vendor now set for EFT, the drop-box indicated will be active, and can be set to either EFT or Check. For EFT transactions, be sure the Payment chosen is EFT.

Media (empty)  
Payment: EFT

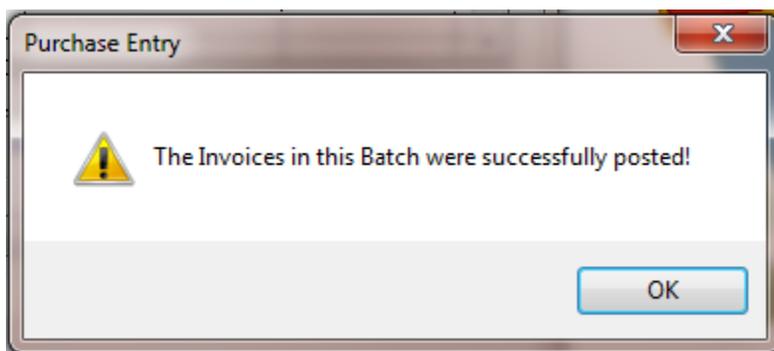
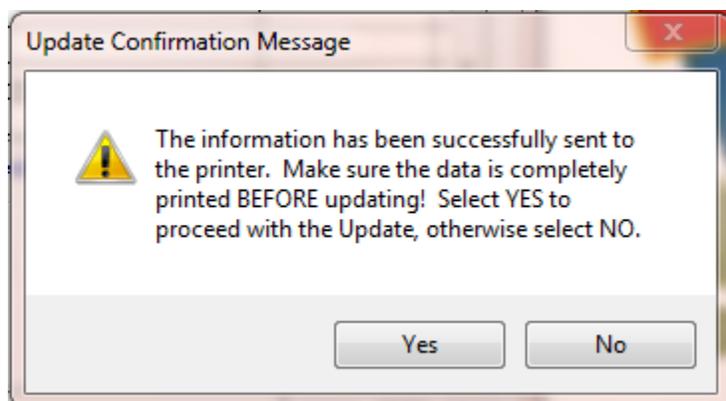


2. Post the AP batch. (AP004543)

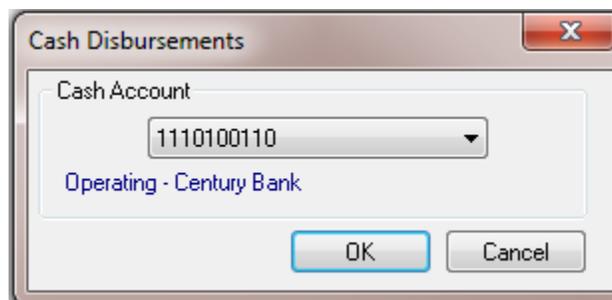
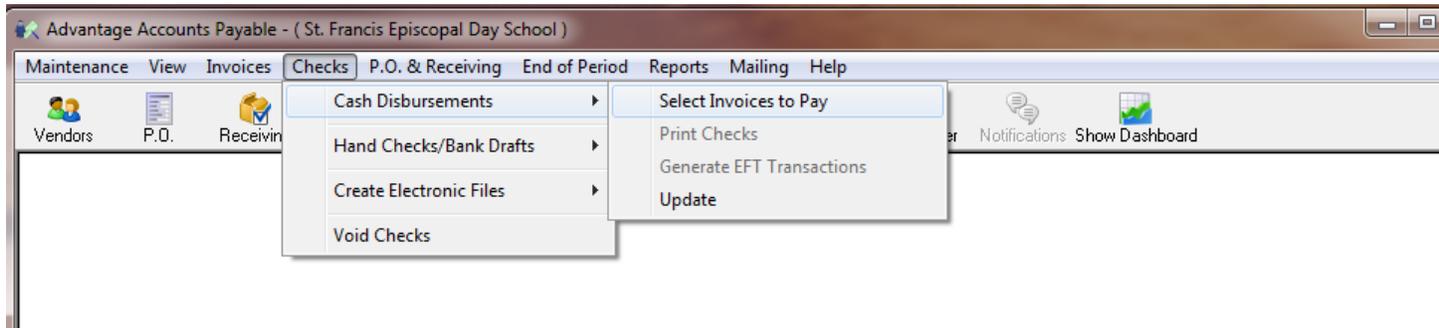




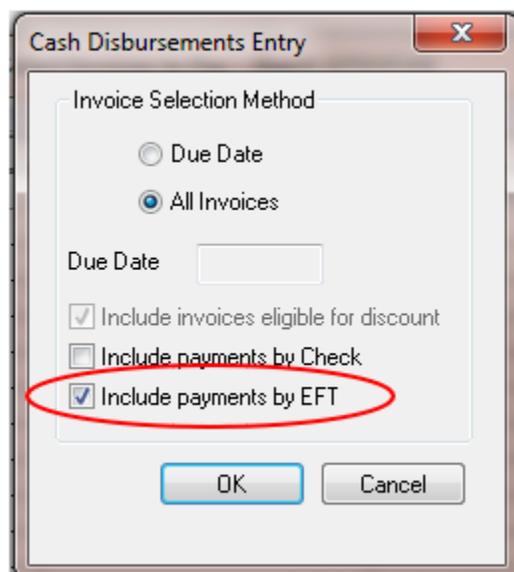
Be sure to review your reports before proceeding.



### 3. Select the invoices to be included on the EFT file

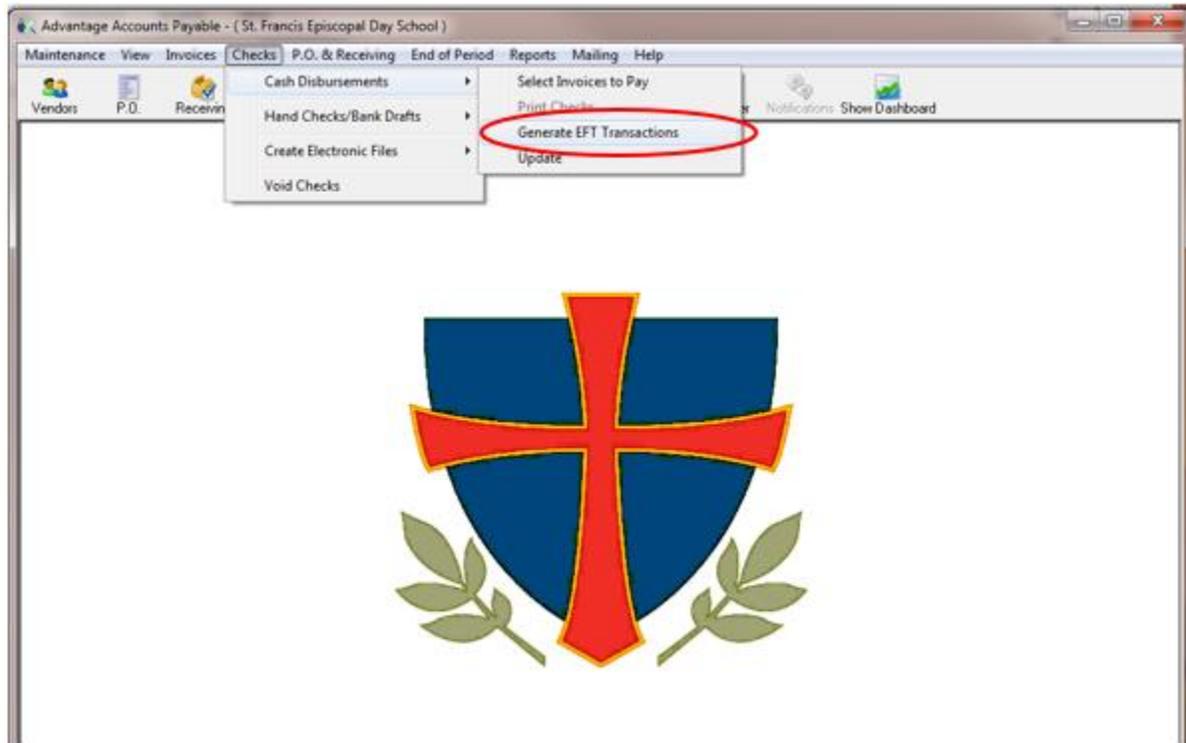


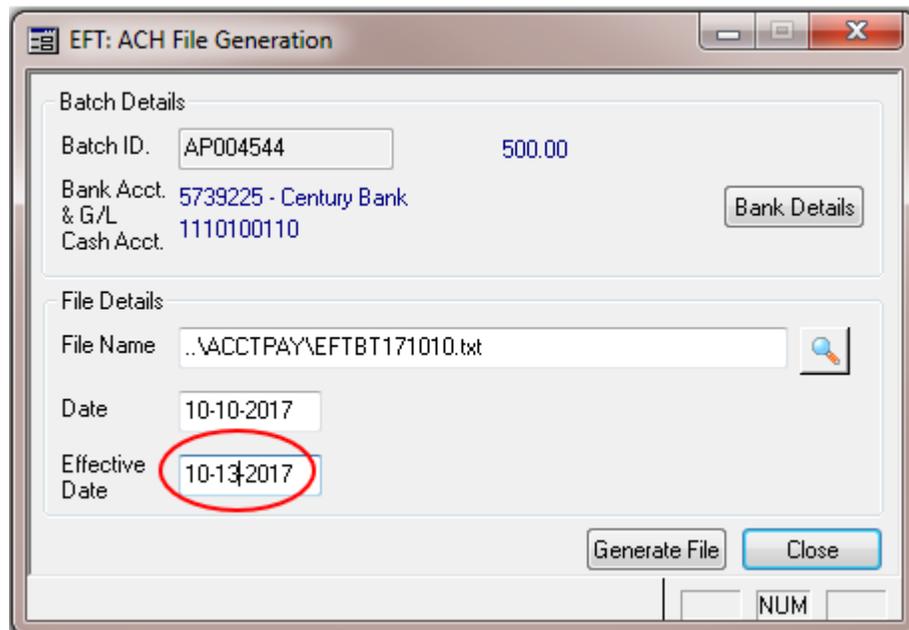
If there are multiple banks set with EFT information, the drop-box will be active to choose which account gets the EFT transactions.





4. Go through the Disbursement process to generate the EFT file.

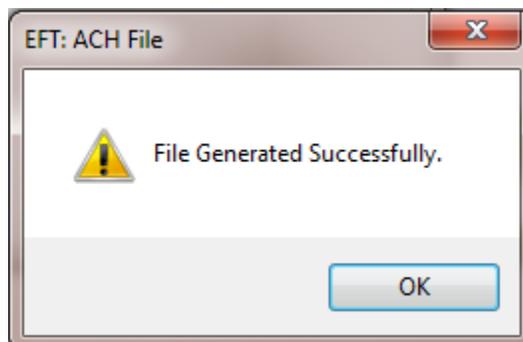




Validate the correct bank account is selected. The File Name shows the path where Senior will drop the file, and the file name. The default file name is EFT**XXyymmdd**, which can be edited, if desired. **The Effective Date is the date the transaction is expected to “settle” with the bank. It can be left as is, but the bank may prefer it be moved up by a day or two, as they may not be able to settle accounts the same day the file is received.**

### 5. Select Generate File

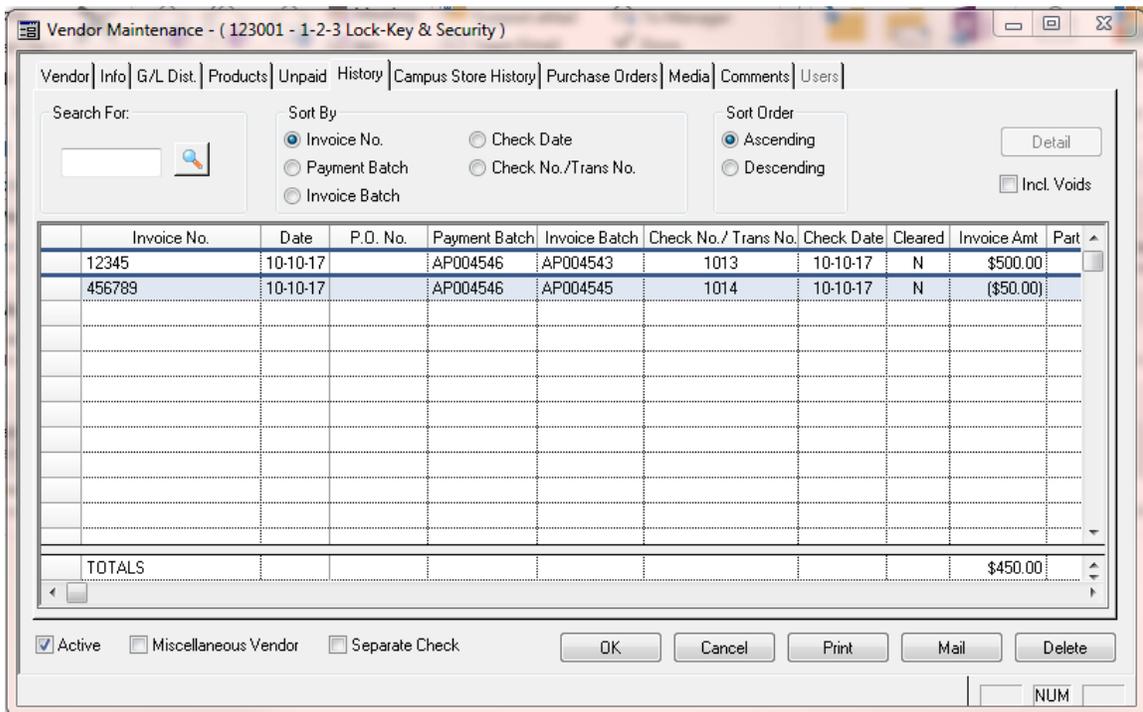
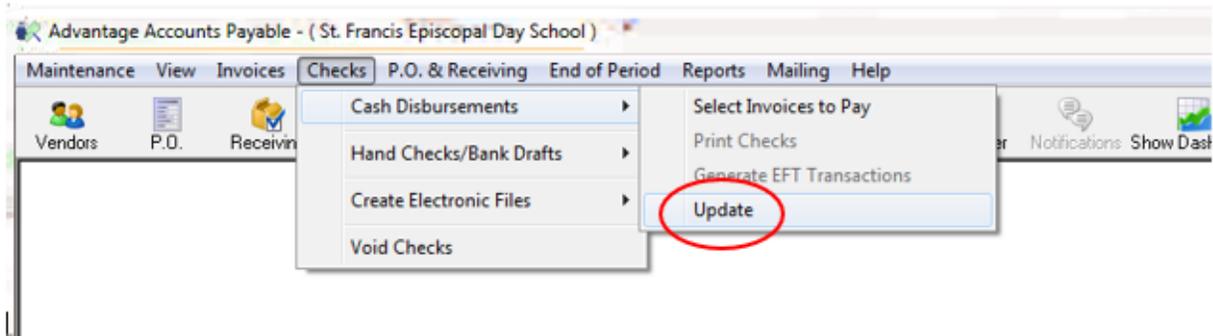
A confirmation message will appear. Navigate to the file path selected to find the file just created. This may now be passed to the bank.





As is the same when issuing checks, be sure to run the Update process as the final step in generating the EFT file. That will update the transmission information as well as the Vendor record, to show the Invoice and Payment batch information.

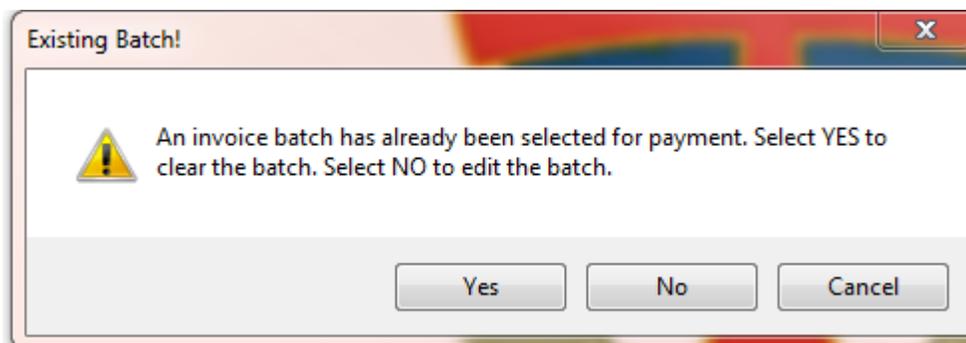
**Note: The Update process does not discern between check and EFT transactions. DO NOT RUN THE UPDATE PROCESS UNLESS BOTH THE CHECK AND EFT TRANSACTIONS ARE APPROVED TO BE COMPLETED.**



## Frequently Asked Questions about EFT

### 1. Can an EFT invoice be removed from a vendor using the Unpaid Invoice Correction function?

If an invoice has been selected for payment through the Cash Disbursement process, and the EFT file has been generated, an EFT invoice cannot immediately be removed from a vendor via Unpaid Invoice Correction. First, the invoice will have to be “released” from the file by going back to the Cash Disbursements>Select Invoices to Pay, and when the notification appears that an invoice batch has already been selected for payment message appears, click “Yes” to clear the batch.



This process will release the invoice, which should still appear under the Unpaid Invoices tab of the Vendor Maintenance Record. The invoice can then be deleted, and the EFT batch can be recreated, minus that invoice.

Note: It is recommended to take these steps any time an EFT Vendor invoice is to be removed from a batch. Trying to edit the actual EFT file may result in unintentional corruption of the data and may not be recoverable.

### 2. Can an EFT transaction be VOIDED?

Yes. In A/P, go to Checks>VOID Checks>New. Select the EFT radio button and enter the transaction number of the transmittal the press the Tab button. The system will pull up the transaction to be VOIDED.







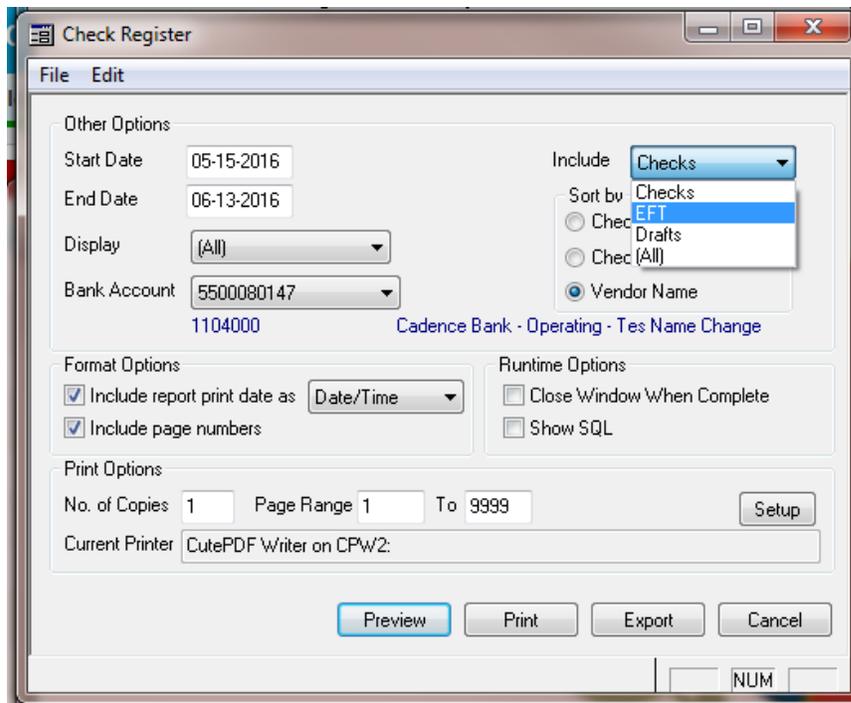
## Unpaid EFT Invoices

June 13, 2016 1:54 PM

Page: 1

VENDOR I.D. / NAME INVOICE NO.	DATE	P.O.	TERMS	BATCH	DUE DATE	INVOICE AMT	DISC. AMT
1940AIR	1940 Air Terminal Museum						
12	05/31/16		Net 30	AP011730	06/30/16	40.00	0.00
<b>Total for 1940 Air Terminal Museum: 1</b>						<b>40.00</b>	<b>0.00</b>
AFC	AFC Corporate Transportation						
7	05/27/16		Net 30	AP011723	06/26/16	12,000.00	0.00
5	05/27/16		Net 30	AP011723	06/26/16	500.00	0.00
6	05/27/16		Net 30	AP011723	06/26/16	500.00	0.00
<b>Total for AFC Corporate Transportation: 3</b>						<b>13,000.00</b>	<b>0.00</b>

After the Update process has been run in the system, the Check Register report can be used to show EFT payments as well. From the Check Register report, use the **Include** option to select what items to appear on the report (Checks, EFTs, Drafts, or All).



### Check Register

June 13, 2016 1:34 PM

Page: 1

CASH ACCT: 1104000

Cadence Bank - Operating - Tes Name Change

DATE RANGE: 05/15/16 to 06/13/16

CHK # / TRANS #	DATE	VENDOR LD.	NAME	TYPE	CHECK AMT.	CLEARED
00000007	06/13/16	1940AIR	1940 Air Terminal Museum	EFT	40.00	N
00000003	05/31/16	1940AIR	1940 Air Terminal Museum	EFT	1,940.00	N
000052325	05/27/16	0000472	ABC-CLIO, LLC	Check	500.00	N
000052326	05/27/16	ABEDINF	Fariba Abedin	Check	350.00	N
000052327	05/27/16	MISCP	Mr. and Mrs. Charles Ableson	Check	1,000.00	N

#### 4. Who do I contact if the bank fails the EFT file because of its layout?

While the Ascendance Accounts Payable EFT file is designed to comply with the NACHA (National Automated Clearing House Association) standards, there have been some requests by the bank to edit the file template from time-to-time. Should a school's bank fail a file because of a layout issue, please contact [SeniorSystems.Custom@communitybrands.com](mailto:SeniorSystems.Custom@communitybrands.com) to submit your change request.