

## Create ACH Transactions

These instructions describe the steps required to enable the KTS HR/Payroll system to create ACH transactions for the direct deposit of employee's net pay, benefits and deductions into checking and savings accounts.

1. In the *Payroll Module Administration* module, on the *Payroll Module Control Screen*, the field *ACH Origin Org.* must be updated to include the organization Code from the *Financial Organizations Screen* for the bank your district uses as an ACH origin - *Figure 1*. This is the bank from which your payroll funds will be transferred to other banks to cover employee deductions and net pay. Also, on the *Financial Organizations Screen*, the field *ACH Rout/Tran:* must include the correct routing and transit number for the financial organization.

**Payroll Module Control Screen**

Organization Name, Address, etc.

Organization: KRESA TEST SCHOOL ISD/K-12 ISD

Department: BUSINESS CA-RT

Street Address: 210 HERE WE ARE

City, State & Zip: KALAMAZOO MI 49002 1234

Contact Name: John Doe

Phone Number: (629) 854-0000

FAX Number: (629) 456-4564 ORS Unit Number: 39040

Email Address: testemail@kresanet.org

Dir. Dep. Sender:

Payroll Controls: Balance Schedule: BIWK - Biw. Register File

**Payroll System Administration...**

Additional Mandatory Codes

S.S.A. PIN: BIGPINYE

SSA Contact Method: E Mail/Interne

Federal Tax ID: 115566544

Michigan Tax ID: 23232685

Indiana Tax ID:

Wisconsin Tax ID:

MESC Account #: 3313

ACH Origin Org: 5/3

Reporting Period Controls

Active Periods

Qtr.: 2 Fis. Yr.: 2006 Cal. Yr.: 2006

**Payroll Module Control Screen – ACH Origin Org Code – Figure 1**

**Payroll Financial Organizations Screen**

Financial Organization Definition

Code: 5/3 Name: FIFTH THIRD BANK

Street Address: 100 W MAIN

City, State & Zip: KALAMAZOO MI 49048

Carrier/Route:

Contact Name: MARY JO SMITH SINCE 1987

Abbreviation: 53

Print check?: N

ACH Rout/Tran.: 123456

**Payroll Financial Organizations Screen – Figure 2**

2. If an employee's net pay is to be deposited via ACH, update the following fields in the *Payroll Employee Records* module, on the *Employee Master Setup Screen*:
  - a) *Check/Deposit* must equal "D" (Direct deposit)
  - b) *Organization* must equal the code from the *Financial Organizations Screen* for the organization into which the employee's net pay is to be deposited. You should verify on the *Financial Organizations Screen* that the field *ACH Rout/Tran:* includes the correct routing and transit number for the financial organization.
  - c) *Trans. Type* must equal the appropriate code for the type of account the employee's net pay is to be deposited in (i.e. checking or savings).
  - d) *Acct. No.* must equal the account number the employee's net pay is to be deposited in.

Please note: ACH transactions are only created for net pay amounts if **both** the *Transaction Type* and *Acct. No.* fields are entered.

3. If an employee wishes to have a fixed amount of money deposited directly into an account (i.e., a *DIRDE* deduction or other deduction code used for direct deposit), update the following fields on the *Employee Elective Deductions Screen* in the *Payroll Employee Records* module.
  - a) *Organization* must equal the code from the *Financial Organizations Screen* for the organization into which the employee's deduction is to be deposited. You should verify on the *Financial Organizations Screen* that the field *ACH Rout/Tran:* includes the correct routing and transit number for the financial organization.
  - b) *ACH Trans. Type* must equal the appropriate code for the type of account the employee's deduction is to be deposited in (i.e. checking or savings).
  - c) *Acct #* must equal the account number the employee's deduction is to be deposited in.

Please note: ACH transactions are only created for deduction amounts if **both** the *Transaction Type* and *Acct. #* for the item are filled in.

4. After the payroll has been run, you must take the file of ACH transactions created by the system and import it into the ACH program provided to you by your bank. This involves communication between you and your bank's ACH service support people to set up initially. In particular, the file name you use must match the file name the bank's ACH program is looking for to import from. To do this step, in the *Payroll Module Administration* module, on the *Payroll Module Control Screen*, select *Operations*, *Copy ACH transaction file to selected file*. The system will display the *Operation Setup* screen and ask you to *Enter filename*. Type the file name, including the path (ex: c:\achfile.ext) and press the ENTER key. The system will respond with the message *FILE CREATED. PRESS A KEY TO CONTINUE*.
5. The final step is to verify that the correct transactions are present in the ACH program provided by your bank and to transmit the records to your bank's ACH processing center, per your bank's instructions.