



Positive Pay

Client Guide

Positive Pay is one of the most powerful tools you can use to protect your company against check fraud.



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The basics of Positive Pay are very simple:

When you issue a batch of checks through your accounting program, each check has a certain profile - the date, the amount, the payee, and the account on which the check is drawn.

Those records are exported from your accounting program, and imported to the Positive Pay system.

As those checks are deposited and reach us for posting, we compare the details of the check to the details you provided when it was issued.

If differences or discrepancies are found, the check is flagged, and placed in the Positive Pay "Exception" list for you to review.

You can then determine whether the check should be paid or rejected.

It's a simple but powerful way to stop the most common types of check fraud.



Our solution contains the following functionality:






- Full integration with Execubanc, Business Online Banking
- Issued check management
- ACH positive pay rules management
- Check file maintenance
- Email notifications
- Daily exception processing for both checks and ACH transactions
- Account reconciliation
- Online reporting
- Payee Match - Review Enhancements and Best Practices

Accessing Positive Pay

No additional passwords to remember or websites to save! Launch Positive Pay from inside your online banking profile.

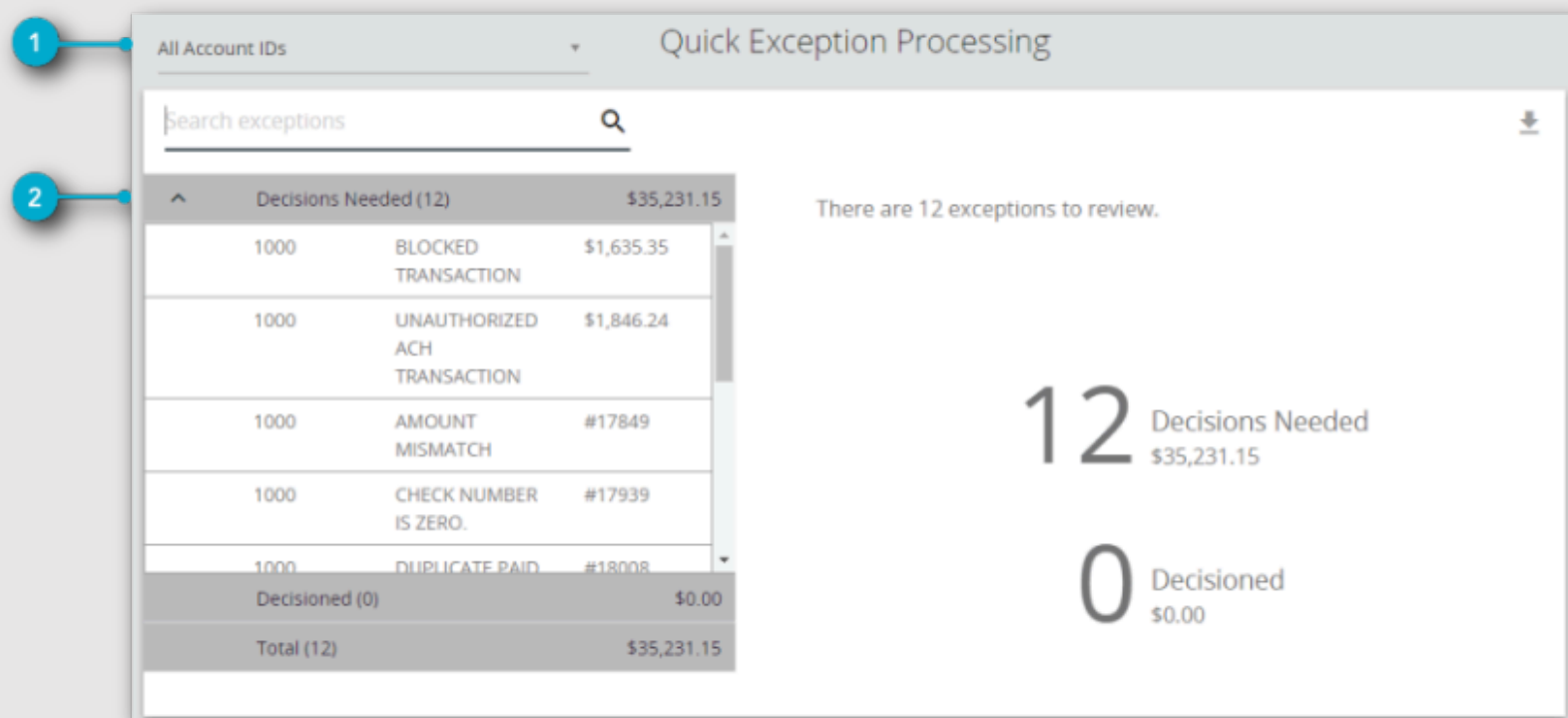
Header Icons

The header icons at the top of the page give options to enhance or change the system functionality. These options include:

-  • **Toggle Menu** — collapses or expands the System Menu on the left side of the page.
-  • **Favorites** — allows a list of Favorite actions to be created and saved for future use. Select Edit to open a dialog box to select the favorite actions for the logged in user.
-  • **Home** — returns to the home page.
-  • **Notifications** — displays messages for the current user.
-  • **Account** — allows you to change your password or log out of the system

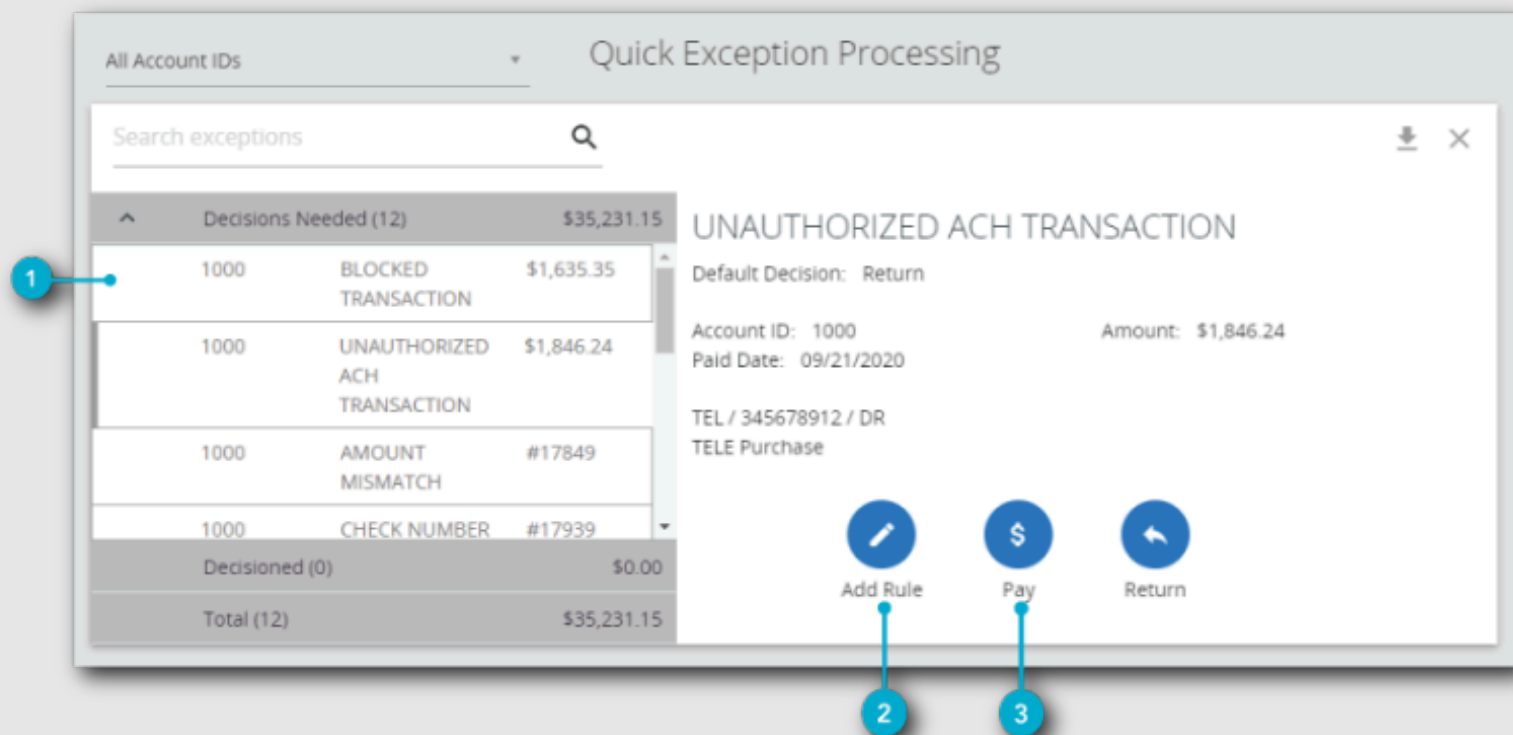
Quick Exception Processing

Use the Quick Exception Processing page to manage exception item activity. You can make pay and return decisions on all items from this page. Use the following images and corresponding numbered descriptions to understand how to use the Quick Exception Processing page.



- 1 (Optional) Select an individual account to process exceptions for.
- 2 Select the exception reason row in the Decisions Needed section to display a list of all exceptions. Possible exception types are as follows:
 - **Blocked transaction**—the item meets the filter requirements specified on the Transaction Filters/Blocks page.
 - **Duplicate paid item**—the item was previously paid.
 - **Paid not issued**—the item was never loaded into the system as an issued check.
 - **Stale-dated item paid**—the item is a stale-dated check. A check is considered stale-dated if the item was issued before the stale-dated cutoff date, which is calculated based on parameters defined by the FI.
 - **Previously paid item posted**—the item was previously paid.
 - **Voided item**—the item was previously voided.
 - **Unauthorized ACH transaction**—the item is an ACH transaction that was flagged as an exception by the ACH authorization rules defined for the account on the ACH Authorization Rules page.

Quick Exception Processing Continued



- 1 Select an individual transaction to display the following transaction details.
- 2 Add a new ACH authorization rule for the transaction type.
⚠ Caution – rules will apply to all future ACH Transactions.
- 3 Select Pay or Return on the transaction.
Specify the reason for the pay or return decision from the Reason list.

Adding new ACH Authorization Rules

- Expand the Decision section.
- Select a transaction to create a new rule from.
- Select Add Rule
- Enter the Description for the new rule.

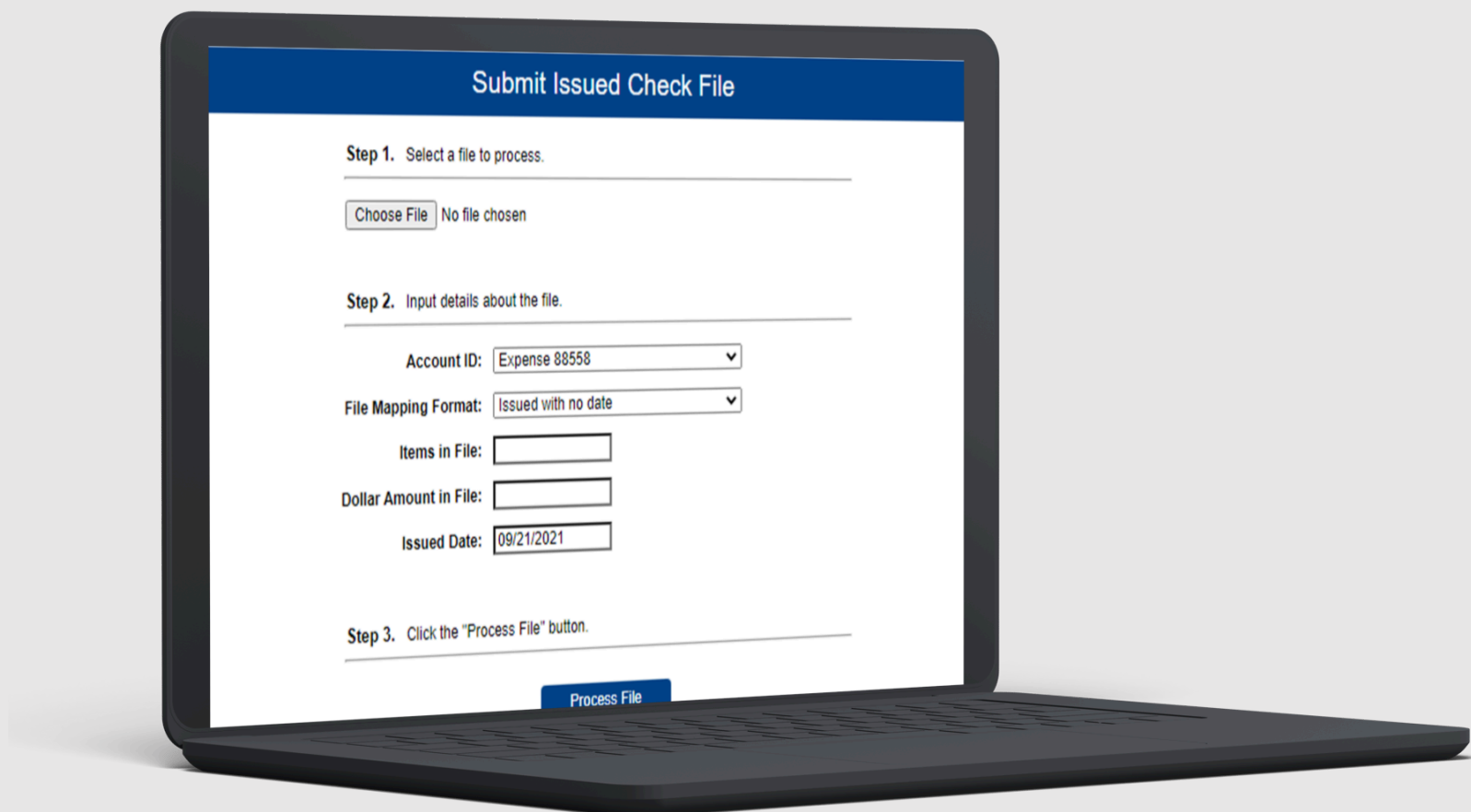
The SEC Code, Company ID, Debits or Credits, and Max Allowable Amount fields are filled out based on the information in the ACH transaction selected.



Note: To modify a pay or return decision on a processed transaction, expand the Decided section and select the transaction from the list.

Transaction Processing

Use the Transaction Processing section of the menu to process and manage transactions, including check management and reporting and ACH management and reporting.



Submit Issued Check File

Upload a file export from your account software, or use our sample file.

Please contact us if you need to change the source or layout of your file. We'll handle file mapping to ensure a smooth transition.

Once a file is uploaded and processed, a window is displayed indicating the processing status.

The following is a list of the possible processing statuses:

Unprocessed—Upload successful. Awaiting processing.

Processed—the file was processed successfully.

Processed with Exceptions—the file was processed successfully, but duplicate checks were not loaded.

Rejected—the file was rejected for a formatting mismatch.

Transaction Processing Continued

Add New Issued Check

Account ID: Expense Account

Check Number:

Amount:

Issued Date: 08/16/2017

Issued Payee:

☐ Auto-Increment Check Number

Add Check

	Account ID	Check Number	Amount	Issued Date	Issued Payee	Notes
1	Expense Account	157894	\$100.00	08/16/2017	Roger Miles	Issued Check
2	Expense Account	157895	\$200.00	08/16/2017	Jane Williams	Issued Check to Jane Williams
			Total: \$300.00			



Add New Issued Check

Use this function if a check was manually written or was otherwise not included in the issued check file that was submitted.

Void a Check

Step 1. Enter check information.

Account ID: <Not Selected>

Check Number:

Check Amount:

Issued Date:

Step 2. Click the "Find Matching Check" button to find the check.

Find Matching Check

Step 3. Verify the check that will be voided.

Step 4. Click the "Void Check" button to complete the void process.

Void Check

Note: Void history is retained within the system for 90 days after an item has been voided.



Void a Check

This function can be used to void a check including those previously submitted as issued. Check number, Check amount and issued date fields are required.

Transaction Processing Continued

Check Search

Use the Check Search page to search for specific transactions.



Note: If a check is converted to ACH, it will appear in ACH Transaction Search instead of this page.

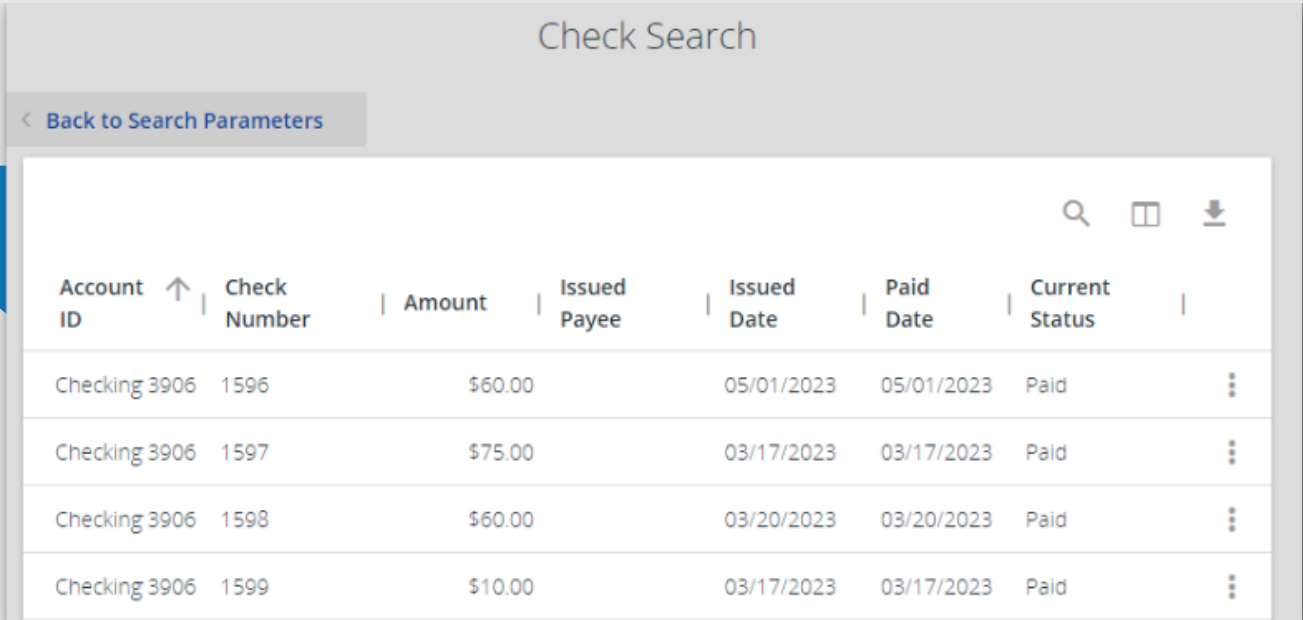
Selection Page

- **Account ID** — optionally select a specific account. If no accounts are selected the system will search through all available accounts assigned to the corporate user.
- **Check Status** — the status of the check you would like to run reporting for.
- **Check Number From/Check Number To** — To search for transactions based upon the check number. If you are searching for a specific check number, enter the number in both fields.
- **Date** — the type of date you would like to run the Check Search report for.
- **Date From/Date To** — To search for transactions based upon the date or date range the item was excepted. If you are searching for a specific date, enter the date in both fields.
- **Amount From/Amount To** — To search for transactions based upon the check amount. IF you are searching for a specific amount, enter the amount in both fields.
- **Decision** — limits the search to a specific pay/return decision.
- **Reason** — limits the search based upon the reason that was selected.
- **Issued Payee** — limits the search to specific payee names. You can enter all or part of the payee name.
- **Include Reversals** — when enabled, the search includes reversals.

Transaction Processing Continued

Results Page

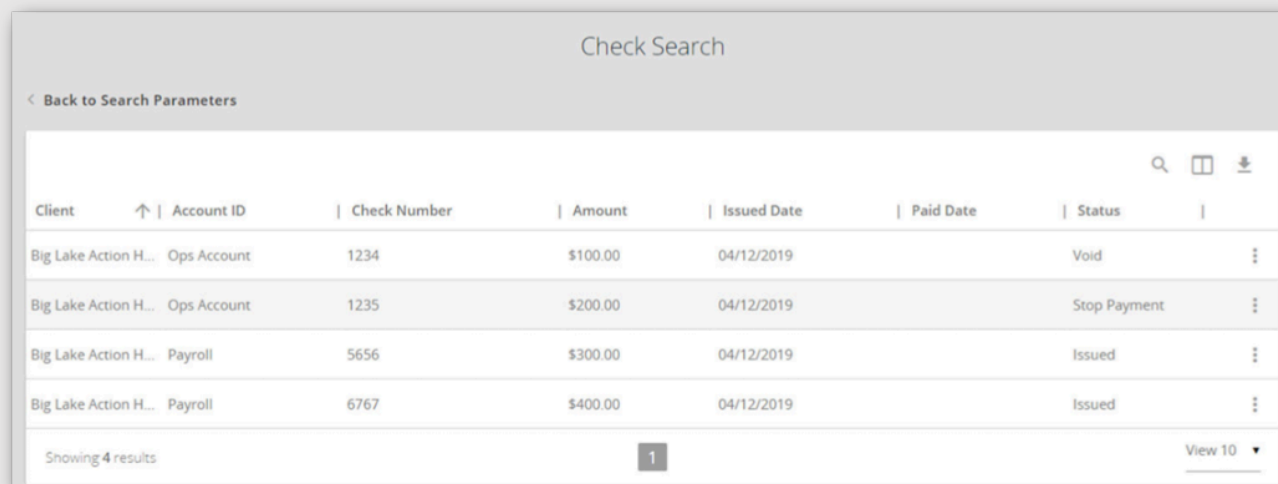
You can perform the following actions on this page:



< Back to Search Parameters							
<div>🔍 🗖️ 📄</div>							
Account ID	Check Number	Amount	Issued Payee	Issued Date	Paid Date	Current Status	
Checking 3906	1596	\$60.00		05/01/2023	05/01/2023	Paid	⋮
Checking 3906	1597	\$75.00		03/17/2023	03/17/2023	Paid	⋮
Checking 3906	1598	\$60.00		03/20/2023	03/20/2023	Paid	⋮
Checking 3906	1599	\$10.00		03/17/2023	03/17/2023	Paid	⋮

- Drag a column header to reorder.
- Select search 🔍 to filter and search all results or select a specific column to search within.
- Select columns 🗖️ to select or remove columns from the report.
- Select export 📄 to export the search results to a Microsoft Excel, PDF, or CSV file.
- Select options ⋮ on an individual search result to perform one of the following actions:
 - **View check images** — displays an image of the selected check. You can change the view and download a PDF version of the image from this window.
 - **View record** — opens an individual history item for additional details on the change.
 - **Edit record** — opens the record for editing.
 - **Delete record** — removes the record.

Transaction Processing Continued



The screenshot shows a web application interface titled "Check Search". At the top left is a link "< Back to Search Parameters". Below this is a table with columns: Client, Account ID, Check Number, Amount, Issued Date, Paid Date, Status, and a menu icon. The table contains four rows of data. At the bottom, it says "Showing 4 results" and "View 10".

Client	Account ID	Check Number	Amount	Issued Date	Paid Date	Status	
Big Lake Action H...	Ops Account	1234	\$100.00	04/12/2019		Void	
Big Lake Action H...	Ops Account	1235	\$200.00	04/12/2019		Stop Payment	
Big Lake Action H...	Payroll	5656	\$300.00	04/12/2019		Issued	
Big Lake Action H...	Payroll	6767	\$400.00	04/12/2019		Issued	

The following columns appear on the Check Search page:

- **Client/Account ID** — the nickname or description that identifies this account to the customer. This Client/Account ID is displayed in place of the account number on pages within the system and in emails generated by the system.
- **Check Number** — the check number of this item.
- **Amount** — the amount of the check that has been presented for payment.
- **Issued Payee** — the issued payee name for this check.
- **Issued Date** — the issued date for this check. On Paid Not Issued exceptions, the paid date is defaulted into the issued date field.
- **Paid Date** — the paid date for this check.
- **Current Status** — the status of the transaction:
 - **Issued** — displayed on items that are flagged as issued by the system.
 - **Exception** — displayed on items that are flagged as exceptions by the system.
 - **Returned** — displayed on items that are flagged as returned exceptions by the system.
 - **Paid** — displayed on items that have been previously paid.
 - **Stop Payment** — displayed for checks that have been stopped with a stop payment. **Reversal** — displayed on items that have been paid and reversed. An item is considered a reversal if the transaction file has a reversal code set for that item.
 - **Void** — displayed on items that have been voided.
 - **Blank** — displayed on an item that is an outstanding check.

Transaction Processing Continued

- **Account Number** — the associated account number. The first four numbers will be automatically masked.
- **Input Date** — the date the issued item was entered into the system.
- **Exception Date** — the date of the exception.
- **Void Date** — the date the check was voided.
- **Decision** — the decision for this exception item.
- **Reason** — the reason associated with the exception.
- **Decisions By** — the user who performed the decision. Transactions that are automatically decided by the issued check file display as <username> (via issued check file).
- **Trace Number** — a unique transaction ID number that is generated by the core processing system.
- **Reversal** — indicates if the item was reversed.
- **Stop Pay Status** — indicates whether a stop payment has been placed on the item.
- **Stop Pay Date** — indicates the date that a stop payment was placed on the item.
- **Stale Dated As Of** — indicates the date the item was stale dated.
- **Notes** — any notes associated with the item.

Transaction Processing Continued

ACH Transaction Search

Use the ACH Transaction Search page to review posted ACH transaction activity. Only transactions with valid ACH Standard Entry Class (SEC) codes or ACH transaction codes appear on this report.

Selection Page

The screenshot shows the 'ACH Transaction Search' form. It includes the following fields and sections:

- Client:** A dropdown menu with 'All Clients' selected.
- Date:** A date picker with 'Pay' selected.
- Date From:** A date input field.
- Date To:** A date input field.
- Debits or Credits:** A dropdown menu with 'Both debits and credits' selected.
- SEC Code:** A dropdown menu with 'All SEC Codes' selected.
- Show additional options:** A checkbox that is checked.
- Amount From:** A numeric input field.
- Amount To:** A numeric input field.
- Decision:** A dropdown menu.
- Reason:** A dropdown menu with 'All Reasons' selected.
- Trace Number:** A text input field.
- Transaction Code:** A dropdown menu with 'All Transaction Codes' selected.
- Transaction Description:** A text input field.
- Company ID:** A text input field.
- Individual ID:** A text input field.
- Individual Name:** A text input field.





At the bottom of the form, there is a small note: 'Note: Transaction history is retained within the system for 30 days after an item has paid.' and a blue 'Search' button.

- **Account ID** — the nickname or description that identifies this account to the customer. This Account ID is displayed in place of the account number on pages within the system and in emails generated by the system.
- **Paid Date From/Paid Date To** — search for transactions based upon the date or date range the item was posted. If you are searching for a specific date, enter the date in both fields.
- **SEC Code** — search for transactions based upon the ACH SEC code.
- **Amount From/Amount To** — search for transactions based upon the amount of the item posted. If you are searching for a specific amount, enter the amount in both fields.

Transaction Processing Continued





Results Page

You can perform the following actions on this page:

- Drag a column header to reorder.
- Select search  to filter and search all results or select a specific column to search within.
- Select columns  to select or remove columns from the report.
- Select export  to export the search results to a Microsoft Excel, PDF, or CSV file.
- Select options  on an individual search result to perform one of the following actions:
 - **View audit history** — displays the history of all changes made to the record. Select **View record** on an individual history item for additional details on the change.
 - Edit record
 - Delete record
 - View record

< Back to Search Parameters

ACH Transaction Search

Client	Account ID	Company ID	SEC Code	DR/CR	Amount	Transaction Description	Paid Date	Status	
Demonstrat...	1000	345678912	WEB	DR	\$1,635.35	ebay Bob	07/15/2020	Exception	
Demonstrat...	1000	123456789	PPD	DR	\$1,741.31	Electric Company Pay...	07/11/2020	Paid	
Demonstrat...	1000	345678912	TEL	DR	\$1,846.24	TELE Purchase	07/15/2020	Exception	
Demonstrat...	1000	234567891	PPD	DR	\$2,288.08	Gas Payment	07/01/2020	Paid	
					\$7,510.98				

Showing 4 results

1

View 10

Transaction Processing Continued

ACH Transaction Search Page

The following columns appear on the ACH Transaction Search page:

- **Client** — the client name.
- **Account ID** — the nickname or description that identifies this account to the customer. This Account ID is displayed in place of the account number on pages within the system and in emails generated by the system.
- **Company ID** — the originating ACH Company's identification number.
- **SEC Code** — the ACH standard entry class.
- **DR/CR** — indicates if the transaction is a debit or credit.
- **Amount** — the amount of the ACH transaction that has been presented for payment.
- **Transaction Description** — the description of the ACH transaction.
- **Paid Date** — the paid date for this transaction.
- **Status** — the status of the transaction. The possible statuses are as follows:
 - **Exception** — displayed on items that are flagged as exceptions by the system.
 - **Paid** — displayed on items that have been previously paid.
- **Decision** — the decision that has been applied to the transaction. If no decision has been applied, this is blank.
- **Reason** — the reason for the pay/return decision. If no reason has been applied, this is blank.
- **Account Number** — the account number of the originator. The first four numbers will be automatically masked.
- **Individual ID** — the accounting number by which the receiver is known to the originator.
- **Individual Name** — the name from the NACHA file.
- **Input Date** — the date the transaction was uploaded.
- **Date Reconciled** — the date the transaction was reconciled.
- **Decided By** — the user who performed the decision.
- **Trace Number** — a unique transaction ID number that is generated by the core processing system.
- **Notes** — any notes associated with the item.
- **Transaction Code** — the transaction code associated with the item.

Transaction Reports

Transaction Reports

Use the Transaction Reports section of the menu to generate reports including a summary of daily checks issued, stopped and voided checks and reconciliation summaries.

Daily Checks Issued Summary

The Daily Checks Issued Summary report is an easy way to see how many checks were issued on any given day and their totals. The dynamic selection criterion allows the user to fine tune the report to their specific needs. This includes both manually loaded checks and checks uploaded through an issued check file.

Exception Items

The Exception Items report allows the user to generate a report of items that were flagged as exception items.

Correction Report

The Correction Report lists the items that have been corrected by the FI. These are items that have posted incorrectly, usually due to encoding errors such as check number blank, zero or incorrect, and amount mismatches.

Check Reconciliation Summary

Use the Check Reconciliation Summary report to assist in balancing online account balances with a customer statement. The report displays an activity summary of newly issued checks, paid checks, and stopped/voided checks. The report also provides a total of outstanding checks as of the reconciliation date.

Transaction Reports

Deposit Reconciliation Summary

The Deposit Reconciliation Summary report is used by clients to verify deposits made to an account. This report allows the client to reconcile a full list of all deposits on an account or to reconcile deposits for each location separately.

Account Reconciliation Summary

Use the Account Reconciliation Summary to assist in balancing online account balances with a customer statement.

Payee Match Report

The Payee Match Report page generates an online report using dynamic selection criteria. Select items by issued date, paid date, check number or issued payee name.

System Report

Use the System Reports section of the menu to view reports on system activity.

Payee Match Enhancements and Best Practices

The system will now review the entire check to verify Payee Name creating an additional layer of security to help prevent payee fraud.

Printed payee information should match exactly to what is submitted in the issued check file. Please implement the following requirements to minimize unnecessary exception items; all standard check-printing guidelines also apply.

Ensure an Exact Payee Name Match

In each check issue file you submit, always enter the full payee name for each check, and ensure the name is an exact match to each respective check. The file must match the check exactly to avoid an exception.

Examples:

Check written to: John Doe

Address line can't be: JD Construction

Check addressed to:

John Doe LLC

Payment Department

Payee Name needs to include: John Doe LLC, Payment Department

Check Stock

- Check background must be light in color and plain to ensure payee name field can be easily viewed.
- The check stock should be consistent for each account.
- Avoid watermarks and pantographs- these features may 'bleed through' when the check image is being captured and may interfere in reading the Payee Name, resulting in an exception

Payee Match Enhancements and Best Practices

Font/Characters

- Payee name in all capital letters is recommended.
- Recommended font size is 12-14 points. Fonts less than 10 points or greater than 16 points are not recommended.
- Bold, italics, and underlines are not recommended.
- Sans serif fonts (such as Arial or Verdana) are preferred.
- PAY TO THE ORDER OF or any acceptable variation, must be printed on the left of the Payee Name, using a machine-readable style and NOT script.

Printing and Placement

- Letters must have enough space between them so that they are not touching each other.
- Additional lines of data below the payee name should be spaced such that the characters do not touch the payee name.
- The number of spaces between words **should not be** more than 2 spaces. For the payee block, use only one space between words.

Example:

Acceptable: JOHN DOE

Not acceptable: JOHN DOE

- Do not add characters and names close to the valid payee name information. Any special codes or characters included on the same line as payee name should be at least 2 inches away. If they are not at least 2 inches away, include this information on your Positive Pay issue file as part of the payee name.
- Print the payee name only once in the check, including in the payee block.
- If including the name and address, do not split the payee block into two non-adjacent parts.
- The payee block should consistently use single-line spacing, be left-justified, and be a minimum of two empty lines away from other text information.
- Check printing should have consistent locations for the payee information per account.

Payee Match Enhancements and Best Practices

- Special codes, characters or bar codes should not be in the proximity of the PAY TO THE ORDER OF, PAYEE NAME or ADDRESS fields.
- Payee name may not be located in the top one inch of the check.
- Leave a minimal amount of space (2-8 characters) between “PAY TO THE ORDER OF” and payee name. The payee name must not touch “PAY TO THE ORDER OF”.
- The payee name must be located not more than 15 characters (one inch) from the last word of the PAY TO THE ORDER OF variation.

Issue File Requirements

- Words or symbols used in conjunction with payee name (such as MR., MRS., MISS, OR, &, or AND) must be included on the issue file.
- Payee names printed on checks must match exactly the name listed on the Issued Check file. Do not list check as JOHN DOE and put the name on the issue file as DOE, JOHN.
- If more than one payee name is printed on more than one line, make sure there is at least a space between line items in the Issued Check file.
- The Payee Match process may read up to 255 characters of Payee Name information in the PAY TO THE ORDER OF variation area of the check. It's important to include all Payee Name information as it's printed on the check in the check issue file to avoid exceptions.

Questions

We're happy to help, please contact your local branch with any questions.