Purpose:

The purpose of this SOP is to identify vendors that are paid electronically using ACH as provided by Pinnacle Bank (Same as ACH Payroll Payments) and provide the steps of the payment process.

Procedure:

1) Identify the vendor to be paid using ACH.
   A) During the vendor setup, open the Electronic Payment Settings tab.
      i) Enter the Bank routing number provided by the vendor.
      ii) Enter the Bank account number provided by the vendor.
      iii) Select Account type. The default is checking but can be changed to Savings.
      iv) Contact the vendor by phone to verify this information.
      v) Be sure to note who confirmed the banking information.
      vi) Make sure that you can rely on this confirmation before sending payment.

2) Obtain documentation and approval for payment for the amount to be paid using ACH.

3) Once invoices are entered in Sage or imported from HH2 they are ready for payment.
   A) See SOP for Other Invoices Not in HH2 and HH2 Document Flow for Invoices for more details.

4) To select invoices for payment:
   A) Open the Accounts Payable module in Sage 300
      i) Click the Tasks tab, hover over Select Invoices to pay, and select On Screen List…
      ii) Click Start and all open invoices will be listed.
   B) Scroll down by vendor number and select the invoice(s) to be paid.
      i) If needed, click Find to search for the vendor.
      ii) Double click each invoice to be selected or double click the vendor's name to select all invoices and a check mark will appear next to the invoice.
      iii) Click each invoice selected and then click Other.
      iv) In the Other Options window, Double click Change payment type.
      v) Change the payment type from Check to Electronic.
      vi) Click OK to exit Other Option.
   C) Once all invoices have been selected then click OK to save the selections

5) Run a report to ensure that the amount selected matches the amount to be paid:
   A) Click the Reports tab and hover over Invoice Registers
      i) Click Invoices Selected for Payment.
      ii) Click Print Preview
      iii) Make sure the totals match and then print the report.

6) To create the ACH batch text file to be uploaded:
   A) Go to -> Tasks -> Generate Electronic Payments
      i) Select Default for batch number.
      ii) Enter A/P Electronic Payment

iii) Date prefills to current date (confirm)
iv) Click OK to open the next screen.

B) Click F4 and select bank account.
C) Confirm Effective date is the next banking day date.
D) Click the file button to select the file location N:\printouts\AP.
E) Select a file name for the text file or overwrite the previous month's file.
F) Click Start and then check the print in the file box.
G) Print the first document to the file location N:\printouts\AP\notifications.
H) Print the second document to N:\printouts\AP\Payment Report increasing the number.
I) Go to Windows File Explorer and open the text file just created.
J) On the second line, after the tax ID#, change PPD to CCD.
K) Click File and Save the text file.

7) Upload ACH file to the bank website.
   A) Login to the Pinnacle Bank website.
   B) Go to → other services → ACH/Remote Deposit → enter security code.
   C) Pinnacle Bank Treasury Management website opens.
      i) Click on file transfer.
      ii) Description is Crain Electronic Payment.
      iii) Click on Choose File
         1) Go to → N Drive → Printouts → AP → Electronic Payment File. Txt.
      iv) Click once on "next" at the top right of the page.
      v) Click once on "Continue" at the top right of the page.
      vi) Click "review" → verify transaction → click "verify all".
      vii) Click once on "Continue" at the top right of page.
      viii) Click "Review" –> verify transactions –> Click "verify all".
      ix) Click "Review" –> authorize transactions –> Click "verify all".
      x) Click on "Report Manager" to view three reports.
         1) File submitted report.
         2) Verify Report.
         3) Authorize Report.
      xi) Log out if all 3 reports are there.
   D) Login later to view the ACH Collection/File Pick up-Report.

8) Print the AP Payment Report and attach it to the supporting documentation.

9) File in the AP ACH Payment folder for each fiscal year's reports.