



## Manually Creating an ACH Origination Item or Batch

- Login to First State Bank's Online Banking Portal at [www.firststate.bank](http://www.firststate.bank)
- From Left Menu Bar, Select Business
- Select ACH
- Select Create New Batch
- Enter the Batch Information
  - **Enter Batch Name.** The batch name is a unique identifier assigned to a group of ACH transactions, used to track and manage the processing of payments in a single submission.
  - **Select Category.** The Category field on the screen corresponds to the SEC (Standard Entry Class) code used in the ACH origination batch. The SEC code defines the type of ACH transaction being processed (such as direct deposit, bill payments, etc.). Select the appropriate SEC code from the dropdown menu to categorize the transaction type for the batch.

*Only one SEC Code may be used per batch*

    - PPD (Prearranged Payment and Deposits): Used for personal transactions like payroll, bill payments, and government benefits.
    - CCD (Cash Concentration or Disbursement): Used for business-to-business payments, such as vendor payments or cash concentration.
    - CTX (Corporate Trade Exchange): Designed for large corporate payments, supporting detailed remittance information along with the payment.
  - **Select Company.** Select the Company from the dropdown list you wish to designate as your offset for the ACH batch, ensuring proper transaction allocation.
  - **Discretionary Data.** The discretionary data field is prefilled with relevant information for your transaction. While the data is required for processing the ACH payment, you have the option to modify it if necessary. However, unless there is a specific change needed no action is required on your part, as the prefilled information will be sufficient for most transactions.
  - **Entry Description.** This field must contain a standard Company Entry Description that accurately reflects the purpose of the transaction, in accordance with NACHA requirements. It is required for ACH processing



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and should be consistent for similar types of transactions. Example:  
PAYROLL or PURCHASE

- **Restricted BATCH Toggle.** OPTIONAL – A “Restricted Batch” limits access to specific batches, requiring user settings to be adjusted to prevent visibility for unauthorized users.
  - **Recurring Batch Toggle.** OPTIONAL – Recurring ACH Batches are scheduled transactions that are automatically processed at regular intervals, such as weekly or monthly.
  - Select Next
  - Complete Entry Details
- (See applicable section below based on your choice of Single or Multiple entries.)*
- Choose Single ACH Entry for one item
  - Choose Multiple ACH Entries for multiple entries

### For Single ACH Entries:

- **Entry Name.** – Enter the individual or business name.
- **ID #.** OPTIONAL – The Entry ID # is an optional field that allows customers to include a unique identifier, such as payroll number, for tracking or reference purposes.
- **Enter Amount.** – Enter an amount for each entry.
- **Addenda Type.** OPTIONAL – Defines the format and structure of the addenda record in an ACH transaction, specifying how additional information is conveyed.
  - 00 – No Addenda Information
  - 05 – Special Free Form Addenda
- **Addenda.** OPTIONAL – A supplementary record attached to an ACH transaction containing extra details, such as invoice number or payment references.
  - PPD – 1 line of addenda information permitted.
  - CCD – 1 line of addenda information permitted.
  - CTX – 9,999 lines of addenda information permitted.
- **Routing #.** – Enter a valid routing number.
- **Account #.** -Enter a valid account number for the beneficiary.
- **Account Type.** – Enter whether the beneficiary account is checking or savings.
- **Tran Type.**



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- Choose **Credit** for a transaction where funds are being **sent to** the recipient's account from the originator's account. For example, payroll direct deposits or vendor payments.
- Choose **Debit** for a transaction where funds are being **pulled from** the recipient's account to the originator's account. For example, bill payments or automatic loan withdrawals.
- **Active/Held.**
  - Active: Transactions that are ready to be processed and transmitted as part of the ACH batch.
  - Hold: Transactions temporarily paused or pending, typically due to errors or manual review, and not yet processed in the ACH batch.
- Select Next
- ACH Batch – Final Review. Review the final batch preview for quality assurance prior to submitting.
- If details are accurate, select Submit
- If details are inaccurate, select Previous
- Receive notification, The batch was created successfully.
- Receive notification asking, would you like to create another Batch? Select applicable answer.

### For Multiple ACH Entries

Screen defaults to two entries. To add additional entries, enter the number of entries needed in the space provided and select +Create Entry Rows. Additional fields may be added, as necessary.

- **Prenote** – OPTIONAL – Toggle this option to create a separate \$0 test file to send through the ACH network to verify that account and routing information is correct before sending live transactions. Prenotes do not move funds. They help identify errors or required changes (such as returned items or Notifications of Change) so corrections can be made in advance. Typically, live entries can be sent after the waiting period (at least three banking days) if no issues are reported.
- **Entry Name.** – Enter the individual or business name.
- **ID #.** OPTIONAL – The Entry ID # is an optional field that allows customers to include a unique identifier, such as a payroll number, for tracking or reference purposes.
- **Routing #.** Enter a valid routing number.

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- **Account #.** Enter a valid account number for the beneficiary.
- **Account Type.** – Enter whether the beneficiary account is checking or savings.
- **Tran Type.**
  - Choose **Credit** for a transaction where funds are being **sent to** the recipient’s account from the originator’s account. For example, payroll direct deposits or vendor payments.
  - Choose **Debit** for a transaction where funds are being **pulled from** the recipient’s account to the originator’s account. For example, bill payments or automatic loan withdrawals.
- **Active/Held.**
  - Active: Transactions that are ready to be processed and transmitted as part of the ACH batch.
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- **Amount.** Enter an amount for each entry.
- **Addenda Type.** OPTIONAL – Defines the format and structure of the addenda record in an ACH transaction, specifying how additional information is conveyed.
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- **Addenda.** OPTIONAL – A supplementary record attached to an ACH transaction containing extra details, such as invoice numbers or payment references.
  - PPD – 1 line of addenda information permitted.
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  - CTX – 9,999 lines of addenda information permitted.
- Select Next
- ACH Batch – Final Review. Review the final batch preview for quality assurance prior to submitting.
- If details are accurate, select Submit
- If details are inaccurate, select Previous
- Receive notification, The batch was created successfully.
- Receive notification asking, would you like to create another Batch? Select applicable answer.

### Importing a Batch

**This section outlines the steps for importing an ACH batch into the system.**

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Note: An Import Layout must be created before importing data, unless you are using a standard NACHA file. In that case, no import layout is required. See the section below, “Creating an Import Layout,” for details.

- Select Business
- Select ACH
- Under ACH Import, Select File Import
- Select applicable Company to be debited
- Select File Type: The system defaults to NACHA file format; if using CSV, delimited, or fixed files, a File Layout must be created first.
- Drag and drop files or click in “upload ACH File” box to upload file
- Select Import
- Once the file has been imported, receive notification, The file was imported successfully.
- Select OK
- Receive a prompt asking, Would you like to upload another file?
- System returns to Batch List.
- Proceed with Approving and Initiating Batch.

## Creating an Import Layout

This section explains how to create an import layout for files such as CSV, delimited, and fixed format files.

**Note: An Import Layout is required before importing data, unless you are using a standard NACHA file. In that case, no layout is needed.**

To create a new File Layout:

- Select Business
- Select ACH
- Select File Layout
- Select +Import Layout
- Select applicable Company
- Enter a File Layout Name
- Select Import Type
  - o **For Delimited** – Delimited import types use a specific character (like a comma or tab) to separate data fields, allowing flexibility in the number of fields per row.

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- Select the Delimiter Type: a delimiter type refers to the character used to separate data fields in a file. Common delimiters include commas (CSV files), tabs (TSV files), or other characters like semicolons. The delimiter ensures that each piece of data is correctly identified and parsed during the import process.
  - Comma (,)
  - Pipe (|)
  - Semicolon (;)
- Select Next
- For delimited file types, select the column positions for the data within the file.
- Select Submit
- Once Import is created, receive notification, Import updated successfully.
- **For Fixed** - Fixed import types use fields with set lengths, where data is placed in specific, predefined positions.
  - For fixed file types, specify the starting and ending positions for each data element within the file.
  - Select Submit
  - Once Import is created, receive notification, Import updated successfully.

## Approving a Batch

First State Bank's ACH origination process is a 3-step process. Once batches are imported or created, they must be approved and initiated prior to processing.

*Batches display in Uploaded or Available status until they are approved. Once a new batch is created, it will appear at the bottom of the batch list.*

- To approve a batch, locate the batch you wish to approve. Select the menu option to the right of the applicable batch.
- Select Approve
- Receive notification, Approval completed successfully.

## Initiating a Batch

For dual control purposes, a **separate user** must **"Initiate"** the batch for processing. This is the final step prior to processing.



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Batches display in *Ready to Initiate* status after it has been approved and is ready to initiate. If a batch has been approved but not yet processed, it will appear at the bottom of the list.

- To approve a batch, locate the batch you wish to initiate. Select initiate from menu option to the right of the applicable batch.

A menu bar appears from the right-hand side of the screen. The menu bar contains required fields and prompts. Once all required information is provided, the file can be processed. The necessary steps to complete this process are outlined below:

- **Offset Account.** – Select the applicable offset account. The offset account is the designated account used to balance or reconcile the total amount of an ACH batch, ensuring proper fund allocation during processing.
- **Effective Date.** – Select the applicable effective date. The ACH Effective Date is the date on which the ACH Transaction is scheduled to be processed or settled by the bank.
- **Same Day ACH.** OPTIONAL- *Requires Bank Confirmation*- The Same Day ACH option should only be toggled on if previously arranged with the bank **prior to** initiating the batch. Same Day option must be requested prior to 1:00 pm. *Please note that fees may apply for same day processing.*
- **Reset batch entries to \$0.00 after posting.** OPTIONAL – TOGGLE option to Reset batch entries to \$0.00 after posting. This will automatically clear transaction amount to zero once the batch has been processed.

## Authentication

You will be prompted to complete Duo Security setup the first time you initiate a batch. After setup is complete, you will not need to repeat the setup—future batch initiations will only require you to enter your Duo verification code.

## For Virtual Token

- Choose the Device in which your DUO token code should be sent.
- To receive your DUO token code on a mobile device, select Mobile phone. This is recommended.
- Enter your phone number. Check that the number entered is correct. Continue.
  - o Select the type of phone entered.
- Install the DUO Mobile App on your mobile device.

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- Activate the DUO Mobile App. Barcode is provided, or you may request an activation link instead.
- Enable settings for future logins/authentication.
- Choose your authentication method:
  - o Send me a Push
  - o Call Me
  - o Enter a Passcode
- Once authenticated, receive a notification, Initiate completed successfully.

### For Hard Token:

- Receive system prompt to Enter a Passcode.
- Press the button on the DUO hard token to display the temporary passcode.
- Enter a Passcode- Allows you to enter the temporary passcode from your DUO hard token to initiate the batch.
- Receive notification, Initiate completed successfully.

### To Uninitiate a Batch

Once a batch has been initiated, batch should be in the Initiated status. The option to Uninitiate remains available as long as the option is displayed. Once the file is picked up for processing, this option will no longer be accessible. For further assistance, contact First State Bank's Treasury Management Department at 940-668-4316