

Version

2.0a

HENWAY SYSTEMS

AS/400 Solutions and Consulting for Financial Institutions

Positive Pay System

Positive Pay System

Overview

Positive Pay System (PPS) is a system to combat check fraud on a customer's account and produce fee income for the Financial Institution.

Customer provides financial institution with a file of checks written for each check run. This file contains account number, check number, date, amount, and payee. File is input into **PPS, which** supports multiple formats and input methods.

After updates, any check that cannot be positively confirmed as authorized and accurate (matching against customer supplied file) is considered an exception. Exception output (report and/or file) is supplied to customer for determination of returns.

The financial institution charges the customer for this service to produce fee income. The **PPS** keeps track of the number of files received, checks received, files created, exception items, and exception reports for billing purposes.

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Account Maintenance and Master Control Program

To run the Account Maintenance and Master Control Program run the following command:

call pgm(ppslib/pp9000c (place the command on a menu or action bar if desired)

The Account Maintenance and Master Control Program starts and the “Work Subfile” main screen is displayed. (see FIGURE 1)

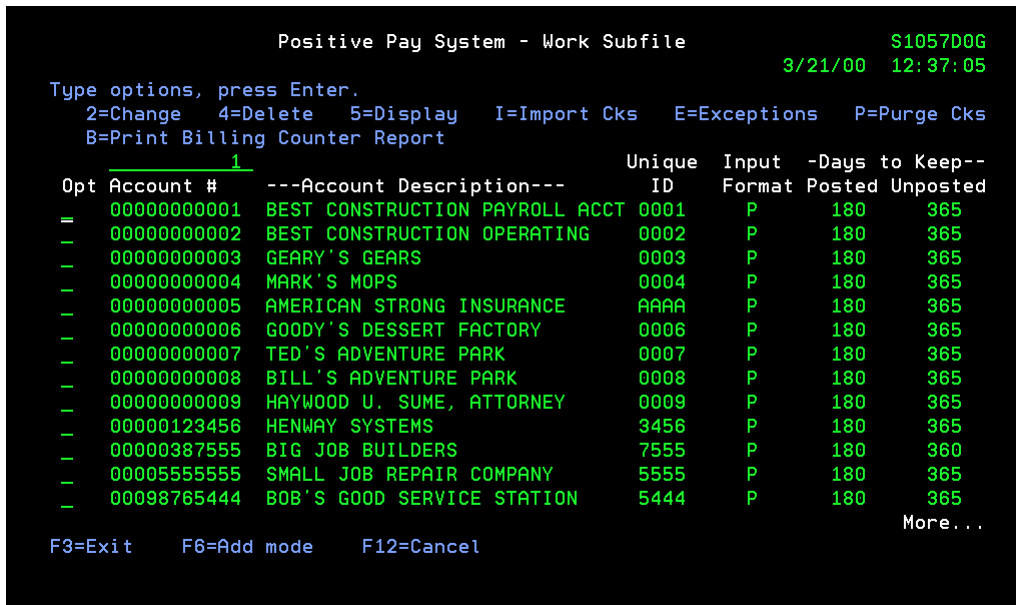


FIGURE 1 shows an example of the main account maintenance and control screen. This screen is the “Work Subfile” screen and is used as the starting place for all Positive Pay System activities.

Navigating in the Program

You may “position to” an account by typing an account number in the “position to” field above “Account #” and pressing enter. The list will start with number entered or the next lower account number if the “position to” number is not found. Enter zero (0) in the “position to” field to start with the first account in the file.

You may roll up and roll down within the list. However, you cannot roll up above the “position to” account number. If you desire to roll to a smaller number, then a smaller number must be entered into the “position to” field first.

Adding Accounts

Press F6 to enter the add mode. The “Add a New Record” screen will be displayed (see FIGURE 2).

```

Positive Pay System - Add a New Record                                S1057D0G
                                                                    3/21/00 12:55:43
Account Number . . . . . : _____
Account Description . . . : _____
Account 4 digit ID . . . : _____ Must be unique-NO BLANKS
Input Format . . . . . : P          Determines input program
Days to Keep Cleared . . : 180      001 - 999
Days to Keep Uncleared . : 365      001 - 999
Check Tran Codes . . . . : 50 60 _____
TC Counts as Exception . : Y  Y  -  -  -  -  -  -  -  -
Exception Output . . . . : R          R=Report F=File B=Both
Contact Person . . . . . : _____
Phone Number . . . . . : _____
FAX Number . . . . . : _____
E-Mail Address . . . . . : _____

F3=Exit  F11=Dup previous record  F12=Cancel
    
```

FIGURE 2 shows a sample of the “Add a New Record” screen. This screen is used for adding new accounts to the Positive Pay System

Fill in the screen as follows:

Account Number – enter the number of the account being setup

Account Description – enter a unique description for the account.

Account 4 digit ID – enter a four digit alphanumeric identifier for the account. **This must be unique because it is used to name the file for the account.**

Input Format – enter the one digit code for the format of the file provided for this account. Format must be first setup by Henway Systems. See **Appendix A** for valid input formats and the corresponding file layouts.

Days to Keep Cleared – enter the number of days (from date posted) to keep a check record after the check has posted. (A posted check must still be in file to generate a “Previously posted” exception. If a duplicate check number posts after first check was purged, a “Serial # Error - Not on File” exception will be generated.)

Days to Keep Uncleared – enter the number of days (from date written) to keep a check record in the file if the check has never posted.

Check Tran Codes – enter up to ten transaction codes to be monitored by the **Positive Pay System (PPS)**. Only transaction codes entered here will be monitored for exceptions.

TC Counts as Exception – for the purpose of billing tracking only, enter yes or no (Y/N) if the above transaction code counts as an exception item (certain transaction codes, i.e. ACH, may be desired to be monitored but not included in billing totals.) The content of this field has no bearing on exception output; it only affects whether an exception generated by the associated transaction code is added to exceptions total.

Exception Output - enter “R” for report, “F” for file (see **Appendix B** for format), or “B” for both a report and a file.

Contact Person - enter the name of the person to contact about exceptions and files for the account holder.

Phone Number - enter the contact person’s telephone number.

Fax Number - enter the number to fax exception reports.

E-Mail Address - enter the address to e-mail exceptions.

After filling out the screen, press enter. You may now enter another account, press F11 to duplicate fields from the previous record (to speed up adding multiple accounts for a single customer) and change the necessary fields, or press F12 to cancel and return to “work subfile” main screen.

Deleting Accounts

Place a “4” in the OPT (option) column for all accounts to be deleted and press enter. The “Confirm Delete of Records” screen is displayed with list of accounts to be deleted. Roll through the list of accounts to be deleted; if all are to be deleted, press enter to confirm, or Press F12 to return to delete choices without deleting any accounts.

Displaying Accounts

Place a “5” in the OPT (option) column for all accounts to be displayed and press enter. The “Detail Record Display” screen is displayed (see FIGURE 3) showing all fields on an account. Press enter to continue to show selected accounts one at a time or Press F12 to return to the “work subfile” main screen.

```

Positive Pay System - Detail Record Display          S1057DOG
                                                    3/21/00 14:41:28
Account Number . . . . . : 00000123456
Account Description . . . : HENWAY SYSTEMS
Account 4 digit ID . . . : 3456
Input Format . . . . . : P
Days to Keep Cleared . . : 180
Days to Keep Uncleared . : 365
Check Tran Codes . . . . : 050 060 000 000 000 000 000 000 000
TC Counts as Exception . : Y Y
Exception Output . . . . : B
Contact Person . . . . . : DAVID E. WADE
Phone Number . . . . . : 2547769299
FAX Number . . . . . : 2547763180
E-Mail Address . . . . . : david-e-wade@worldnet.att.net
Count of Rcvd Files . . . : 00000      Rcvd Checks . . . : 0000000
Count of Voided Checks . : 00000
Count of Created Files . : 00000      Created Reports : 00000
Count of Exception Items : 00000
Date Counters Last Reset : 2000/03/15

F3=Exit      F12=Cancel      Press Enter to continue
    
```

FIGURE 3 shows a sample of the “Detail Record Display” screen. This screen displays all fields for an account.

Importing Checks

The customer's input file must first be input into the **PPINPUT\$** file (where \$ is the input format as coded on the account). Contact Henway Systems for help with input methods.

Place an "I" in the OPT (option) column for the accounts to have checks imported and press enter. The checks will be imported from the input file **PPINPUT\$** and added to the checks file **PPCHKS\$\$\$** (where \$\$\$ is the Account ID as coded on the account). Billing counters on the account will be incremented for the number of files, the count of checks, and count of voided checks.

Only one account at a time may have checks imported since all accounts of the same "Input Format" share the input file PPIINPUT\$(where \$ is the input format as coded on the account).

Creating Exception Reports and/or Files

After processing is complete and check files have been imported, it is time for Exception Processing. Place an "E" in the OPT (option) column for all accounts to search the posted transaction file for exceptions. Exception report **PP1000** will be generated for all selected accounts that are coded "Exception Output" of "R" or "B". Exception file **PPEXCO\$\$\$** (where \$\$\$ is the Account ID as coded on the account) will be generated for all accounts selected that are coded "Exception Output" of "F" or "B". Billing counters on the account will be incremented for the count of exception items, for the count of exception reports, and count of exception files (if exceptions greater than zero).

Printing Billing Counter Reports

Place a "B" in the OPT (option) column for all accounts to print the billing counters. Report **PP7000** will be generated for all selected accounts and you will be given the option of resetting the counters to zero.

Purging Checks

Place a "P" in the OPT (option) column for all accounts to purge the cleared and uncleared checks that are older than the number of "Days to Keep" on each account. This option will delete checks from the **PPCHKS\$\$\$** (where \$\$\$ is the Account ID as coded on the account) file.

Appendix A

- Input Format A

			Position		
Field	Length	Dec	Start	End	Text
RTBCH	3	0	1	3	Batch Number
RTSEQ	7	0	4	10	Sequence Number
RTACT	11	0	11	21	Account Number
RTCK10	10	0	22	31	Check Number
RTDTIO	7	0	32	38	Date Issued
RTAMT	11	2	39	49	Check Amount
RTCODE	1		50	50	Transaction Code
RTPAYE	30		51	80	Payee

Julian-CCYYDDD

D-debits, C-void a previous check

Voided Checks are to have a transaction code of "C"

(Must have a debit first to void, either in current or in a previous file.)

- Input Format P

			Position		
Field	Length	Dec	Start	End	Text
RTFIL	1		1	1	Filler
RTFIL2	1		2	2	Filler
RTBCH	3	0	3	5	Batch Number
RTSEQ	7	0	6	12	Sequence Number
RTACT	11	0	13	23	Account Number
RTCKNO	7	0	24	30	Check Number
RTDTIO	7	0	31	37	Date Issued
RTAMT	11	2	38	48	Check Amount
RTCODE	1		49	49	Transaction Code
RTPAYE	30		50	79	Payee
TRFIL3	1		80	80	Filler

blank fill

blank fill

Julian-CCYYDDD

D-debits, C-void a previous check

blank fill

Voided Checks are to have a transaction code of "C"

(Must have a debit first to void, either in current or in a previous file.)

- Input Format S

			Position		
Field	Length	Dec	Start	End	Text

POSITIVE PAY SYSTEM

RTACCT	11	0	1	11	Account Number	
RTCKNO	10	0	12	21	Check Number	
RTDATE	8	0	22	29	Date Issued	CCYYMMDD
RTAMT	11	2	30	40	Check Amount	
RTCODE	1		41	41	Transaction Code	D-debits, C-void a previous check
RTDAYE	30		42	71	Payee	

Voided Checks are to have a transaction code of "C"

(Must have a debit first to void, either in current or in a previous file.)

Appendix B

- Exception Output File Layout

PPEXCOxxxx File Layout
Exception Output File

(XXXX IS ACCOUNT ID)

DESCRIPTION	LENGTH	DEC POS	FROM	TO
ACCOUNT NUMBER	11	0	1	11
SERIAL NUMBER (CHECK #)	10	0	12	21
CHECK DATE - CCYYMMDD	8	0	22	29
AMOUNT POSTED	11	0	30	40
AMOUNT SHOULD BE (IF DIFF)	11	0	41	51
PAYEE	30		52	81
EXCEPTION DESCRIPTION	29		82	110
CAPTURE BATCH	3	0	111	113
CAPTURE SEQUENCE NUMBER	7	0	114	120