

Quick Reference Guide

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# ACH Prefunding

**JHA** Treasury Management™

*Last Updated: July 1, 2022*

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## Treasury Management ACH Prefunding

**Overview:** ACH Prefunding is the requirement or ability to ensure funds are available in advance to pay and process credit origination. Configurations are required to be completed within SilverLake ACH Company Maintenance.

**Important:** If your Financial Institution would like to utilize this enhancement, you must be on SilverLake Release 2022. If you are on Release 2021 and would like to request this enhancement early, please place a support case.

### Benefits for the Banks?

- Enhanced risk management
- Increased opportunity for funds availability

### Benefits for Customers?

- Decreased risk of funds not being available for payroll files

## SilverLake ACH Company Configuration

**ACH Company File Maintenance - Display**

✕ Exit
◀ Previous
Enter
Off List
CF Inq
Maint
Bal Tables
Accts
More Keys

**ACH Company File Maintenance Information**

Print

Company Information	Contact Information	Additional Information
Officer:	Company Customer Number:	Offset Account:
Company Name:	Contact Name:	Offset Account Type: <b>D</b>
Company ID:	Contact Phone:	Offset Branch Number:
Standard Entry Code: <b>PPD</b>	Contact Email:	Settlement Account:
Entry Description: <b>ACH BATCH</b>	Increase Customer Liability by ACHExposure: <b>N - No</b>	Settlement Account Type:
Discretionary Data: <b>ACH BATCH</b>	Liability Dollar:	Memo Post to Settlement Account:
	Settle on Effective Dates: <b>Y - Yes</b>	Place Hold on Funds During Origination:
	Allowed to Originate Debits, Credits, or both: <b>B - Both</b>	Originate ACH Credits if Money not Available:
	NetTeller Offset Flag: <b>O - Create Offset</b>	What Settlement Account Balance Should be Used:
		Available Balance Table:

### SilverLake ACH Company Configuration

1. Allowed to Originate Debits, Credits, or Both needs to be configured for either Credits Only or Both
2. NetTeller Offset Flag will need to be configured to O – Create Offset, for Treasury Management Customers
  - This feature is utilized by multiple digital platforms. There is no dependency for NetTeller for Treasury Management Customers

## Treasury Management Back Office Company ACH Configuration

**ACH Companies** [Add ACH Company](#)

ACH Company ▾

[-] Emerald Systems [Manage Accounts](#)  ACTIVE

<b>Company ID:</b> [REDACTED]	<b>Total Daily Limit:</b> \$100,000.00	<b>SEC Codes:</b> PPD	<b>Offset Account:</b> ●— 1
<b>Discretionary Data:</b> ACH BATCH	<b>Not On-us Transaction types allowed:</b> Debits and Credits	<b>Batch Balance Requirements:</b> Unbalanced - Full Offset	<b>Prefunding:</b> ●— 2
<b>Entry Description:</b> ACH BATCH	<b>On-us Transactions Required:</b> 0	<b>On-us Amount Required Batch:</b> 0	<b>Prefunding Days:</b> ●— 3

[+] Emerald Sys [Manage Accounts](#)  ACTIVE

<b>Company ID:</b> [REDACTED]	<b>Total Daily Limit:</b> \$100,000.00	<b>SEC Codes:</b> CCD	
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[+] MAC Professional [Manage Accounts](#)  ACTIVE

<b>Company ID:</b> [REDACTED]	<b>Total Daily Limit:</b> \$100,000.00	<b>SEC Codes:</b> PPD	<b>Offset Account:</b> [REDACTED]
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### Company ACH Configuration

1. Offset Account
2. Prefunding – Yes
3. Prefunding Days

**Note:** These fields will be read/informational only, there will not be an option to modify. If modifications are needed, please utilize the ACH Company Maintenance option within SilverLake.

## Offset Account on Review Progression

**YourFi** Message Center Notifications 374 Cut-Off Times Last Login: MM/DD/YYYY, HH:MM, CST Hi, <loginID>

DASHBOARD ACCOUNTS **PAYMENTS** REPORTING ADMIN

Create ACH Payment

1. Create Payment 2. Manage Recipients **3. Review** 4. Confirmation

**Review Payment**

**Payroll Test** 1 Recipient

ACH Company Name: [Redacted] Debit: **\$0.00**

ACH Company ID: [Redacted] Credit: **\$100.00**

SEC Code: **PPD** Effective Date: **08/26/2020**

Entry Description: **PRO Test** Offset Account: **1** [Redacted]

Discretionary Data: **PROFESSIONAL**

Restrict Payment

Prenote Only (0)  Hold Only (0)  Errors (0)

Recipient Name	ID Number	Account Number	Account Type	Routing Number	Credit/Debit	Amount	Prenote	Hold	Addenda
[Redacted]	45271	[Redacted]	Checking	053 112 314	CR	\$100.00	Yes	No	<a href="#">Addenda</a>

Viewing 1 - 1 of 1 recipients 25

**Confirm** Back Cancel

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### User Action

1. With this enhancement, the offset account entry functionality has been moved to the Review tab for all ACH payment workflows. Customers entering or uploading credit origination files for an ACH Company enabled for prefunding will no longer be able to select their offset account; it will prefill based on the offset account that is setup in SilverLake within the ACH Company Maintenance for that ACH Company.

Credit origination files will be transmitted to SilverLake upon final approval based on the number of prefunding days configured in advance of the effective date.

## Important Information

- Only one offset account will be utilized for prefunded payments – users will not have the option to select which account they want the offset to generate from
  - > The offset account that will be utilized is the Offset Account/Account Type that is configured in the ACH Company parameters within SilverLake on the first page of the ACH company setup
- Only the credit transactions part of the payment will be transmitted to SilverLake
  - > The offset transaction will not be transmitted from Treasury Management to SilverLake, the offset entry will occur within SilverLake
- For previously scheduled payments, prefunding will not apply, if prefunding is needed, users must cancel their future dated or recurring payments and recreate