

# ACH Reversal Instructions

- A reversal transaction can only be processed if the transaction or the file was processed in error.
  - The reversing transaction or file must be transmitted to the bank within **five banking days** after the settlement date of the erroneous file. If it is past the five-banking day timeframe, a reversal transaction is **not** allowed to be processed.
  - Transmit the reversing transaction and/or file within 24-hours of determining the error.
  - Make a reasonable attempt to notify the receiver of the reversing transaction and the reason for the reversing transaction no later than the settlement date of the reversing transaction.
  - You can only reverse the entire amount of the transaction. No partial amount transaction reversals are allowed.
  - Initiate a correcting file if you are reversing an entire file that includes errors.
  - Type **REVERSAL** (in ALL CAPS) in the company entry description field of each company/batch header record.
- Sign into online banking.
  - Click on the Cash Manager button.
  - There could be several reasons to reverse a file. For example, John informed you that his payroll was sent to the incorrect bank and/or account number. The bank ABA he provided was 0212300123 and the account number was 123456789. Another reason could be that you duplicated the file that was sent. Find the incorrect information you need to reverse.
  - Then click to create a new category for the company/ account that you will be sending this out. You will need to make it say the following and then click submit.

Stride Bank

Dashboard

Cash Manager

ACH

Wires

Positive Pay

Messages

Accounts

Transactions

Transfers

Bill Payment

Statements

Services

User Profile

ACH

Batch List

ACH History

ACH Import

File Import

File Layout

Create New Batch

Create New ACH Batch

Automated Clearing House (ACH) is a secure and efficient batch-oriented network that provides businesses the power to transfer funds electronically between other businesses or individual entities. All ACH transfers use the National Automated Clearing House Association (NACHA) transaction rules format to move funds electronically between financial institutions in the United States Federal Reserve System.

Batch Name: REVERSAL

Category: PPD - Prearranged Payments and Deposits

Company: FRANK N STEIN

Company ID: 123456789

Discretionary Data: ACH REVERSAL

Entry Description: REVERSAL

☐ Restricted Batch

☐ Recurring

Cancel Next

- On this screen you will enter the incorrect information that you want to reverse and pull back into your account. (Example: John Doe was paid \$100.00 as a credit. So, you would reverse this by sending a \$100.00 debit.)

#### ACH Type

ACH Transaction Type — Is this a single or multiple entry batch?

#### Entry Count

Single ACH Entry

#### ACH Single Entry Information

Automated Clearing House (ACH) is a secure and efficient batch-oriented network that provides businesses the power to transfer funds electronically between other businesses or individual entities.

#### Entry Name

Enter Entry Name

#### ID #

Enter ID #

#### Amount

\$ 0.00

#### Addenda Type

00 - No Addenda Information

#### Addenda

Enter Addenda



Prenote Batch

#### ACH Receiving Financial Institution Information

Automated Clearing House (ACH) is a secure and efficient batch-oriented network that provides businesses the power to transfer funds electronically between other businesses or individual entities.

#### Routing #

Enter Routing #

#### Account #

Enter Account #

#### Account Type

Checking

#### Tran Type

Debit

#### Active/Held

Active

Cancel

Previous

Next

- If you have multiple transactions click the Entry Count drop-down and select Multiple ACH Entries.

#### ACH Type

ACH Transaction Type — Is this a single or multiple entry batch?

#### Entry Count

Multiple ACH Entries

#### Entry Total

0

+ Create Entry Rows

#### ACH Multiple Entry Setup

Automated Clearing House (ACH) is a secure and efficient batch-oriented network that provides businesses the power to transfer funds electronically between other businesses or individual entities.



Prenote

Remove

#### Entry Name

Enter Entry Name

#### ID #

Enter ID #

#### Routing #

Enter Routing #

#### Account #

Enter Account #

#### Account Type

Checking

#### Tran Type

Debit

#### Active/Held

Active

#### Amount

\$ 0.00

#### Addenda Type

00 - No Addenda Information

#### Addenda

Enter Addenda

Remove

#### Entry Name

Enter Entry Name

#### ID #

Enter ID #

#### Routing #

Enter Routing #

#### Account #

Enter Account #

#### Account Type

Checking

#### Tran Type

Debit

#### Active/Held

Active



- Then confirm you have added every transaction.
- Now click Submit to create the Reversal batch.
- If everything looks correct, you can initiate the batch. Choose your effective date, keeping in mind the reversing transaction or file must be transmitted to the bank within **five banking days** after the settlement date of the erroneous file. If it is past the five-banking day timeframe, a reversal transaction is **not** allowed to be processed.
- After you answer your security questions and receive a confirmation, the file is sent to the bank. You can confirm this by looking at the Batch List for the status.

## **ACH STATUSES**

- ✓ **Approval Pending:** The batch has been marked ready for review and approval. Another authorized Cash Management user must approve/initiate the ACH batch file.
- ✓ **Ready:** The batch has been created and is ready to be updated, changed, initiated, or deleted.
- ✓ **Initiated:** The batch has been sent to Stride Bank and is waiting to be transmitted to the ACH processor terminal. During this status, a batch cannot be edited or deleted until it has been processed and returns to a Ready status.
  - **CAUTION:** Do not delete an ACH batch that is in Initiated status because this causes the financial institution not to receive the ACH batch. In addition, do not delete the batch until the status has returned to Ready.
- ✓ **Processed:** Stride Bank has processed the ACH batch and it can no longer be updated until end-of-day processing is complete. The batch returns to a Ready status after end-of-day processing.
- ✓ **Uploaded:** The ACH batch information was uploaded directly from another accounting software system using the ACH upload feature.