ACH Payments

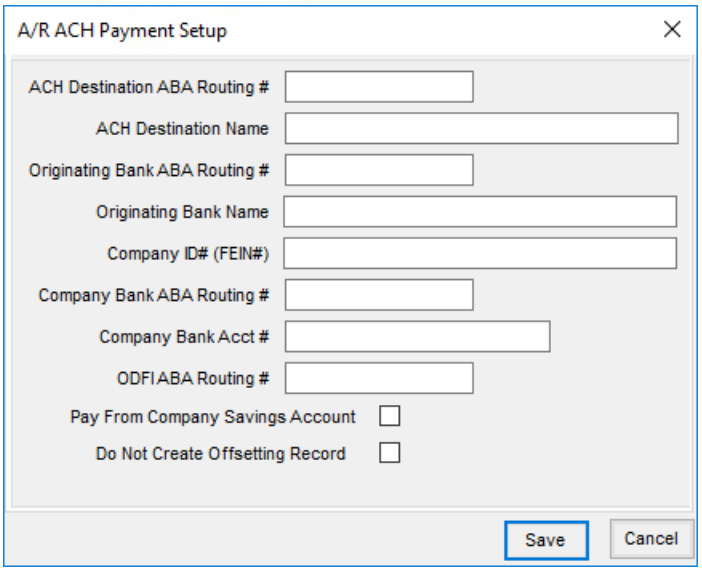
Last Modified on 09/04/2026 8:39 am CDT

Some Customers may choose to have payments directly paid from their checking accounts. This function allows the payments to be entered in Agvance and an ACH file to be created to withdraw the amounts from customer bank accounts. Setup for the ACH file and the customer banking information must be entered prior to processing these payments and creating an ACH file.

If the bank requires the date in the header area of the ACH files to be formatted as YYMMDD instead of MMDDYY, check *ACH Company Descriptive Date Format (YYMMDD)* at *Accounting / Setup / Preferences* on the *General* tab.

Setup

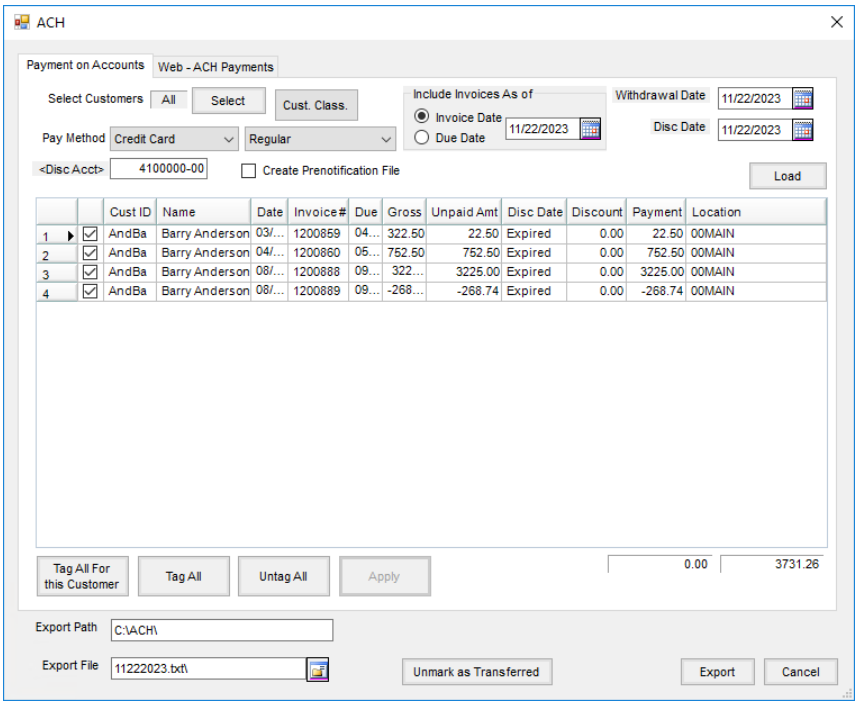
The *A/R ACH Payment Setup* window must be completed and is a one-time setup. This window is found by selecting **A/R ACH Setup** on the *G/L* tab at *Accounting / Setup / Preferences*.



- **ACH Destination ABA Routing #** – This is the Federal Reserve Bank's routing number that the processing bank reports. The processing bank is the bank that processes the transaction. It may or may not be the bank where the ACH payment is withdrawn. Contact the plan administrator for this information.
- **ACH Destination Name** – This is the Federal Reserve Bank's name that the processing bank reports.
- **Originating Bank ABA Routing #** – Enter the routing number of the processing bank.
- **Originating Bank Name** – Enter the processing bank's name.
- **Company ID# (FEIN#)** – Input the company's Federal Identification Number (FEIN).
- **Company Bank ABA Routing #** – This is the routing number of the bank where the ACH payment is withdrawn.
- **Company Bank Acct #** – Enter the account number where the ACH payment is withdrawn.
- **ODFI ABA Routing #** – Optionally enter the Originating DFI Identifier. Enter this only if required by the bank.

- **Pay From Company Savings Account** – Check this box if paying out of a savings account rather than checking account.
- **Do Not Create Offsetting Record** – Some banks do not want the offsetting record included in the ACH file. Select this option only if the bank advises to do so.

The following window can be found at *A/R / ACH Payments*.



- **Select Customers** – This defaults to *All* which would select all Customers with banking information on file.
- **Cust. Class** – Optionally select Customers by *Customer Classification*.
- **Pay Method** – Enter the *Pay Method* to be saved on the payments. New Pay Methods may be added at *Setup / A/R / Pay Methods* if necessary.
- **Disc Acct** – Select the General Ledger Account where any Invoice Discounts should post.
- **Include Invoices As Of** – Select *Invoice Date* or *Due Date*, and enter the date. This is a way of filtering for Invoices that are due to be paid.
- **Withdrawal Date** – Enter the date the bank should withdraw the funds from the customer's account.
- **Disc Date** – Enter the date to use for displaying the discount amounts.
- **Create Prenotification File** – Check this option to create a test file to send to the bank. This test file contains customer banking information but does not contain any monetary amounts.

Create ACH Payments

1. Before creating the ACH payments, the customer must be set up for ACH payments. This is done by editing the customer's file at *File / Open / Customers*. On the *Miscellaneous Info* tab, complete the *ACH Routing #*, *Bank*

Account #, and *Account Type* for the account to be used for the ACH payments.

2. Before creating the ACH payments, a data path should be established where the file will be saved when it's created. This path must be accessible when connecting to a bank website to submit the file.
3. At *A/R / ACH Payments*, select if the program should use *Invoice Date* or *Due Date* to determine the Invoices that display and enter the date.
4. Enter the *Withdrawal Date*.
5. Enter the *Discount Date*.
6. Select **Load** to display the Invoices for Customers set with ACH payment information.
7. Select the *Pay Method*.
8. The discount general ledger account defaults into <*Disc Acct*>, but may be changed if necessary.
9. Select the Invoices to be paid in this ACH file.
10. In the *Export Path* field, enter the name for the file. This file should end with a *.txt* extension.
11. Set the *Export File*. Once this path is set, it is remembered for future use. **Browse** is available if needed to set the path.