Automatic ACH Receipt Batch Creation Process

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Contents

Purpose

This document describes 'How to use Automatic ACH Receipt Batch Creation Process' functionality as provided in Oracle Cloud application. To use Automatic ACH Receipt Batch Process there should be a pre-existing agreement between you and your customer to process payments via ACH for Automatic receipts. The commonly used format for Transmission to Bank is NACHA. Through NACHA Format, Bank gets the necessary data points and transfers the funds from customer's bank account to your bank account as a part of the remittance process.

Please note that any oracle functionality can be used provided pre-requisites (setup configuration) are completed in the application.

Assumptions

1. Bank setups in Oracle Cash Management are completed

2. Setups in Accounts receivables are completed

3. NACHA file format is ready as per Bank specifications

Process Overview

Automatic ACH Receipts Process involves

1. Create Automatic ACH Receipt Batch

2. Modify the Receipt Batch, if required

3. Receipt Remittance and Approval

4. Create Settlement Batch and Transmit to Bank (using Transmission Configuration) or

5. Transfer Receipt Batch to Bank (using SFTP server)

In this white paper, we are using SFTP server to transmit the settlement file to Bank

Step1: Create Automatic ACH Receipt Batch

Navigation > Receivables > Accounts Receivables > Create Automatic Receipt Batch

Enter parameters to create Automatic Receipt Batch by using Receipt method i.e. 'Direct Debit' and enter the Selection Criteria i.e. Due Date, Transaction Number, Customer Name/ Number as required.

** commonly used- Receipts will be created either one receipt for one invoice or one receipt for one customer**

For this white paper, we are using one receipt for one invoice
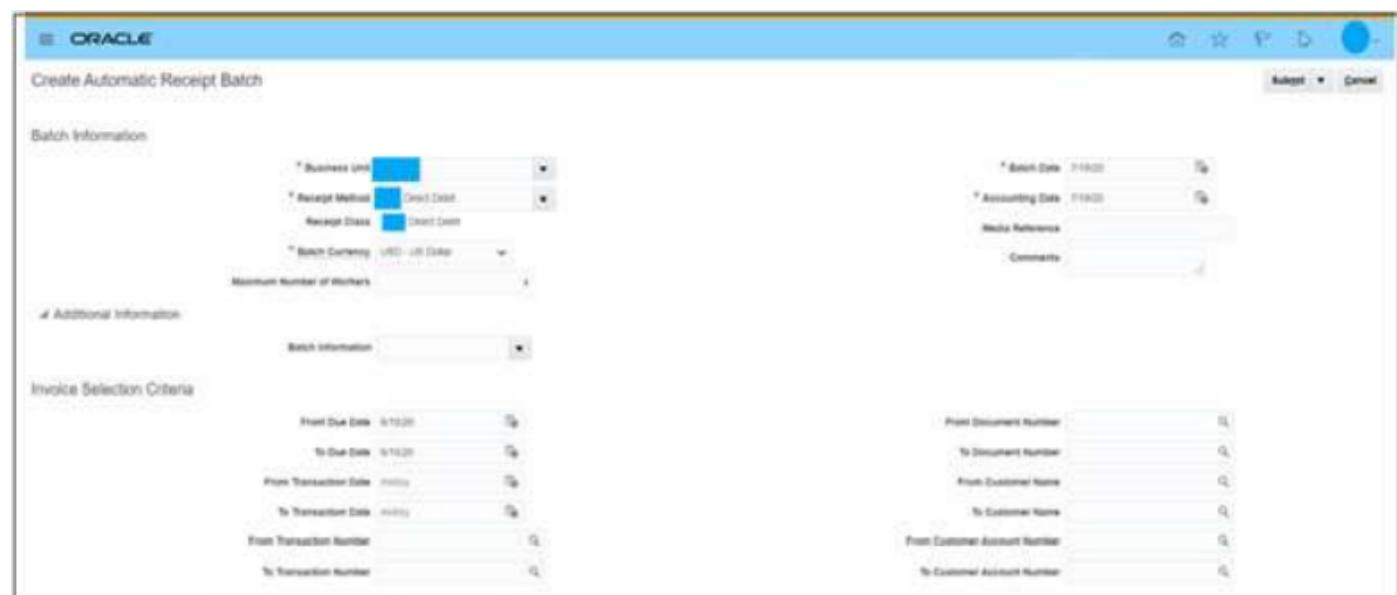
Click on Submit button once you enter the required selection criteria.

System will submit the request.

Click on Tools > Scheduled Processes to check the request status.

Request status should be succeeded

Click on Tools > Accounts Receivables... to find the Receipt Batch

Receipt Batch status will be Pending Approval.

Open the Batch and export the same in excel (this will help when we are doing changes in the receipt batch)

Before approving the receipt batch, check the **Remittance Bank.**

**Note that, as per Oracle standard functionality, system will select the Primary Bank as a Remittance bank if multiple banks are assigned to the same receipt method with the same currency

Approve the Batch by clicking on Approve button.
System submits the request for your action.

Click on OK
Check the status of the report

Status should be Succeeded.
Though we have agreement with customers for payments, sometimes customers won't be able to make the payments or will pay less hence we need to modify the Receipt Batch. You can remove the customers or transactions from the Receipt Batch that you have created.

How to modify the Receipt Batch
Navigation>Receivables > Accounts Receivables > Manage Receipts
Query the Batch Number

Select the receipt and edit it

Change the Transaction Amount for different receipts and transactions

Before Edit

Query the Batch after edit and export the same in Excel.
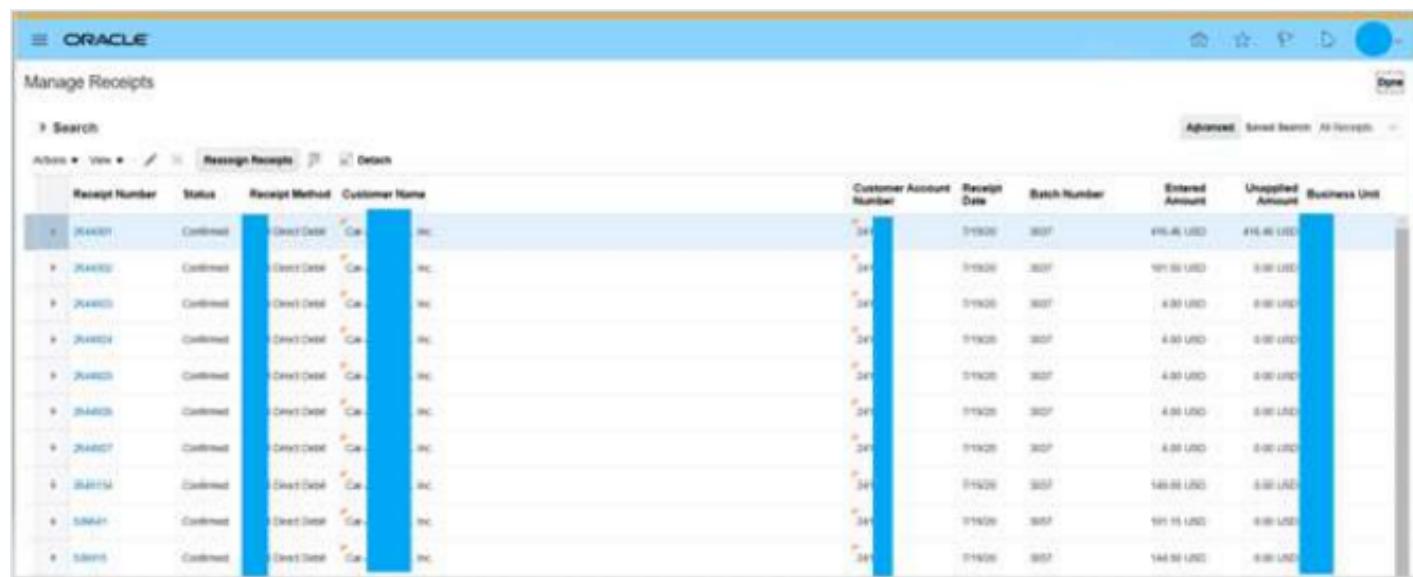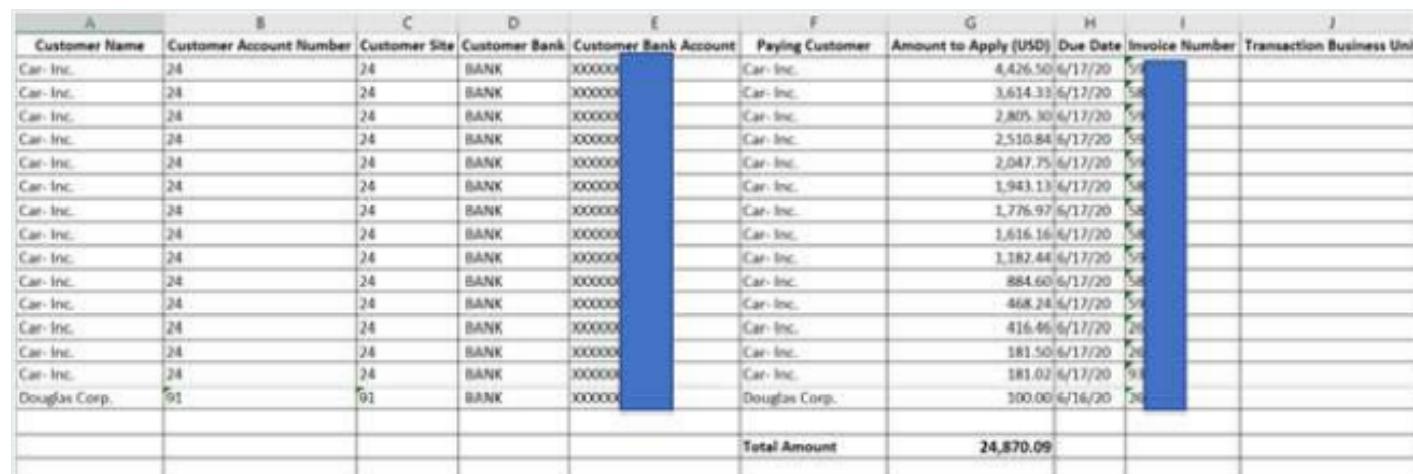
Customer Name	Customer Account Number	Customer Site	Customer Bank	Customer Bank Account	Paying Customer	Amount to Apply (USD)	Due Date	Invoice Number	Transaction Business Unit
Car- Inc.	24	24	BANK	XXXXXX	Car- Inc.	4,426.50	6/17/20	59	
Car- Inc.	24	24	BANK	XXXXXX	Car- Inc.	3,614.33	6/17/20	58	
Car- Inc.	24	24	BANK	XXXXXX	Car- Inc.	2,805.30	6/17/20	59	
Car- Inc.	24	24	BANK	XXXXXX	Car- Inc.	2,510.84	6/17/20	59	
Car- Inc.	24	24	BANK	XXXXXX	Car- Inc.	2,047.75	6/17/20	59	
Car- Inc.	24	24	BANK	XXXXXX	Car- Inc.	1,943.13	6/17/20	58	
Car- Inc.	24	24	BANK	XXXXXX	Car- Inc.	1,776.97	6/17/20	58	
Car- Inc.	24	24	BANK	XXXXXX	Car- Inc.	1,616.16	6/17/20	58	
Car- Inc.	24	24	BANK	XXXXXX	Car- Inc.	1,182.44	6/17/20	59	
Car- Inc.	24	24	BANK	XXXXXX	Car- Inc.	884.60	6/17/20	58	
Car- Inc.	24	24	BANK	XXXXXX	Car- Inc.	468.24	6/17/20	59	
Car- Inc.	24	24	BANK	XXXXXX	Car- Inc.	416.46	6/17/20	26	
Car- Inc.	24	24	BANK	XXXXXX	Car- Inc.	181.50	6/17/20	26	
Car- Inc.	24	24	BANK	XXXXXX	Car- Inc.	181.02	6/17/20	93	
Douglas Corp.	91	91	BANK	XXXXXX	Douglas Corp.	100.00	6/16/20	26	
					Total Amount	24,870.09			

After Edit

Create Receipt Remittance batch

We are creating Receipt Remittance Bach through ESS job.

Navigation: Tools > Scheduled processes

Click on Schedule New Process

Enter Name
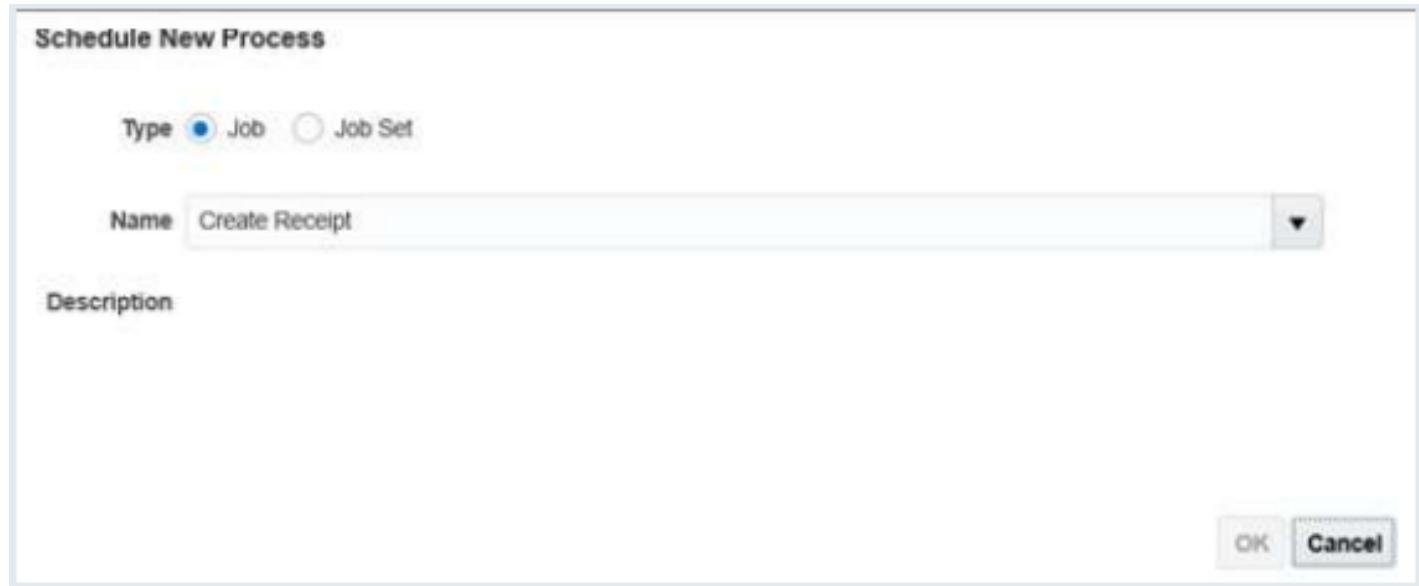
Click on Tab

Click on OK

Select the Process Name and enter parameters

Process Details ✕

ⓘ This process will be queued up for submission at position 1

[Process Options] [Advanced] [Submit] [Cancel]

Name Create Receipt Remittance Batch

Description Creates a receipt remittance batch from eligibl... ☐ Notify me when this process ends

Schedule As soon as possible   Submission Notes [   ]

Basic Options
Parameters

* Business Unit [   ] ▾

* Remittance Batch Date 7/19/20 📅

* Remittance Batch Accounting Date 7/19/20 📅

* Approve No ⌄

* Currency USD - ⌄

* Remittance Method Standard ⌄

Receipt Class [   ] Direct Debit ▾

Receipt Method [   ] Direct Debit ▾

* Remittance Bank Branch [   ] BANK ▾

* Remittance Bank Account [   ] ✕ ▾

Minimum Remittance Total [   ]

Click on Submit

🖼 **Confirmation**

Process 1083985 was submitted.

[OK]
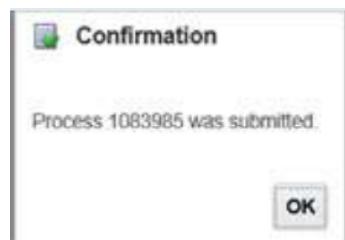
Click on ok

Make sure that Reports completed with status succeeded

Navigation: Receivables >Accounts Receivable >Mange Receipt Remittance Batches

Click on **Manage Receipt Remittance Batches**

Query Remittance Batch with parameters i.e. Business Unit, Remittance Bank and Remittance Batch Date

Click on Search

Click on Remittance Batch Number to verify the batch amount. Export the batch to check and then Approve if it is okay.

You can see the difference of $100 when you compare the Remittance Receipt Total Amount Vs Total Amount after we edited the Receipt Batch.

Total Amount	24,272.13	Remittance Batch Amount
Total Amount	24,172.13	After Edit Receipt Total
Difference	100.00	

** Note that 'Create Receipt Remittance Batch' program will pick up all the PENDING automatic ACH Receipts batches data while creating the Receipt Remittance

Batch. It is Oracle's standard functionality hence it is important to check and compare the Total Batch Amount**

For this white paper, we will identify the Receipt and remove the same from Receipt Remittance Batch.

Receipt Number	Receipt Method	Amount (USD)	Remittance Bank Account	Instrument Number	Maturity Date
26XXXX	Direct Debit	100.00	Bank Account	XXXXXXXX1	7/19/20

Select the required Receipt Number row

And click on Remove

Click on Save and Close

Click on Remittance Batch Number

After removing the unwanted Receipts. Total Amount looks good.

Click on Approve
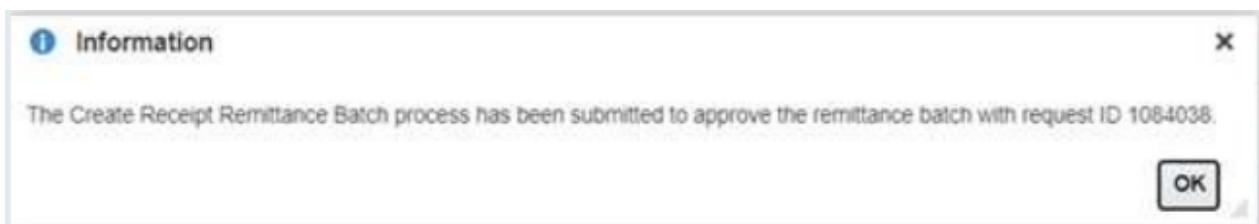
Click on OK
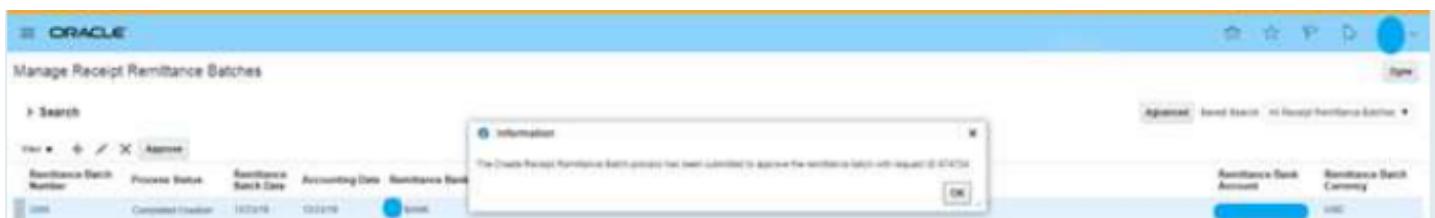
System will submit the scheduled process

Process status should be Succeeded

Create Settlement Batch

Navigation > Receivables > Funds Capture

Click on Funds Capture

Click on Create Settlement Batch
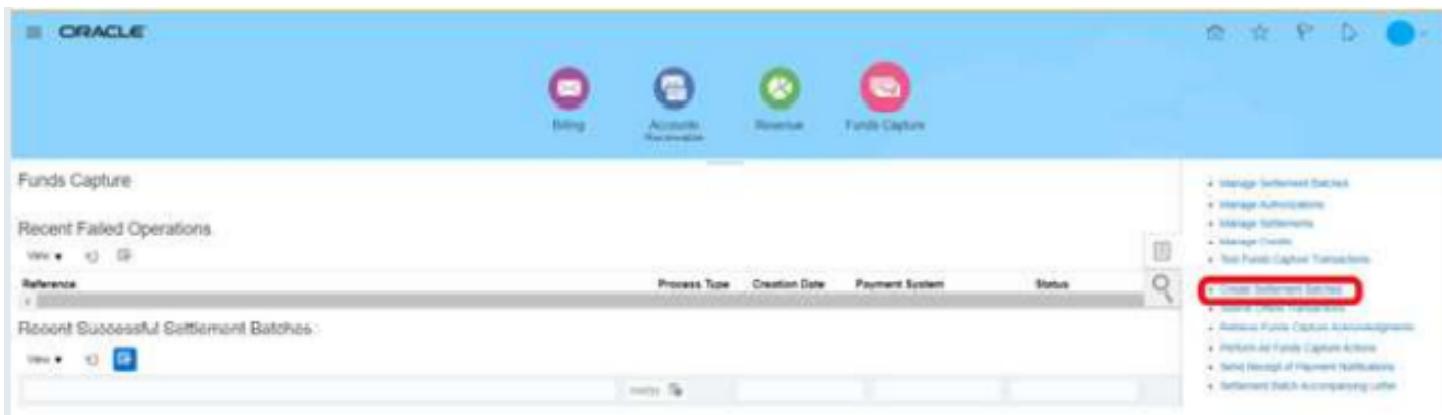
Select the Parameters from the list of values. Make sure that you choose right parameters.

Enter the Batch Name. Please note that you need to choose the same Batch Name while running BI program which transmits the data to Bank.

Click on Submit
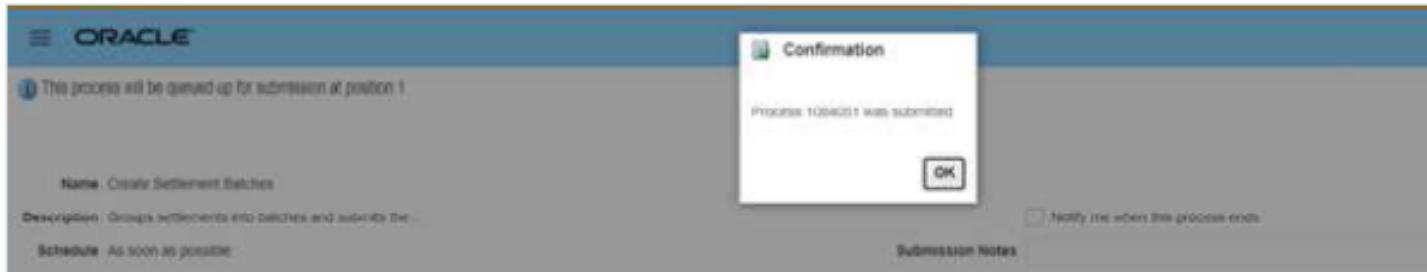
Click on ok

Check the Schedule Process for program status or Click on Cancel and Scroll down the page to check the request
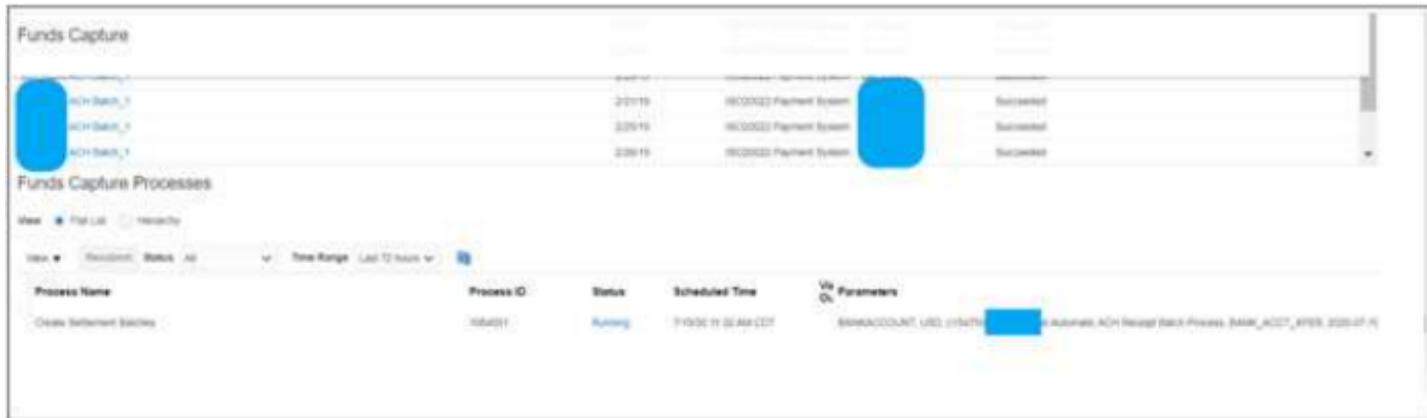
System will take some time to complete / succeed the Settlement Batch
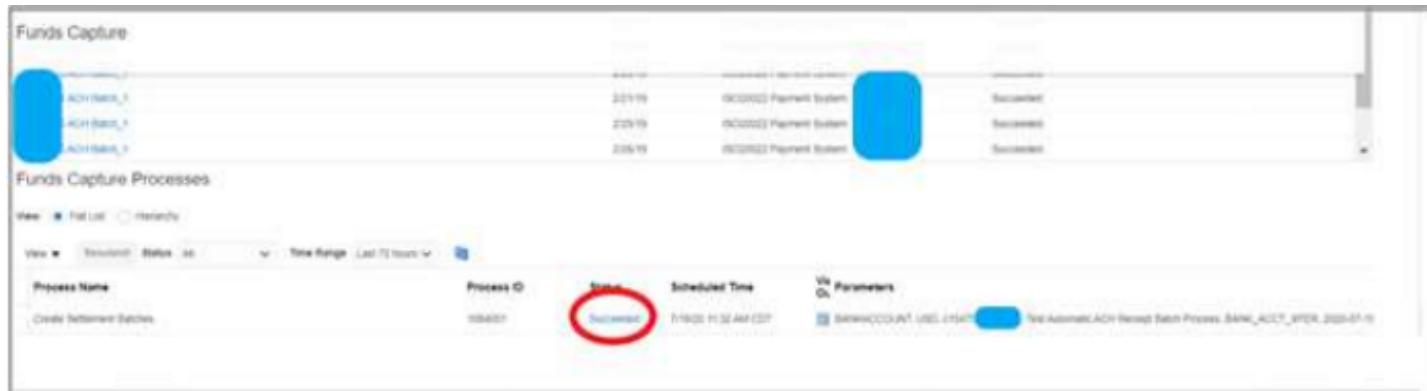
Click on Settlement Output file and verify the values i.e. Bank Name, Control Amount etc.

System can transmit the Settlement Batch Data from here to Bank if you have defined the Transmission Configurations protocol

For this white paper, we are using SFTP server to transmit the file to Bank.

Click on Tools > Report and Analytics
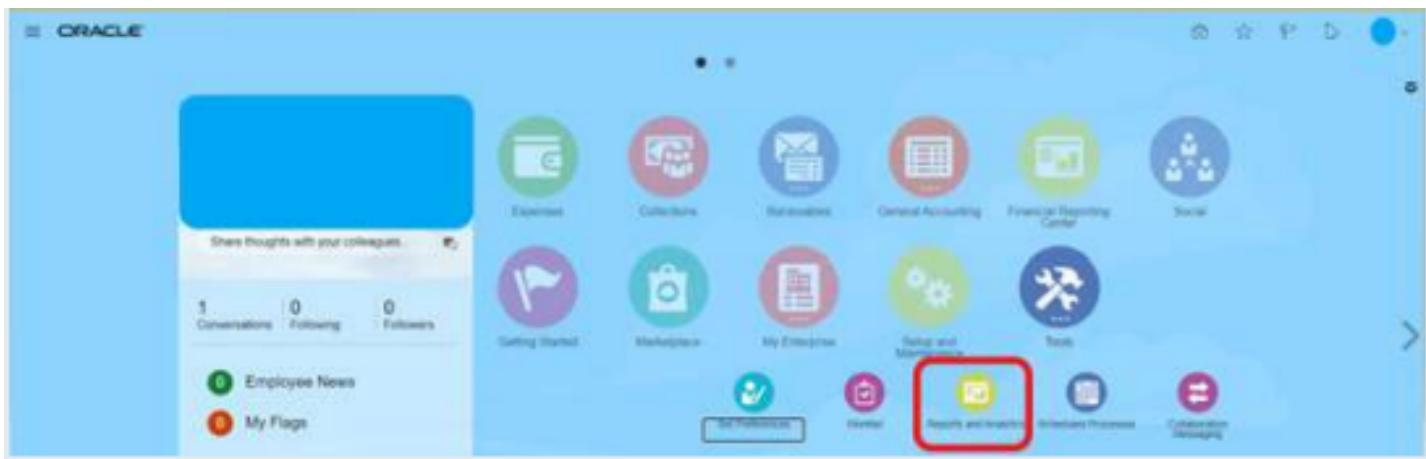
Browse Catalog and go to designated folder and schedule the Interface Program.
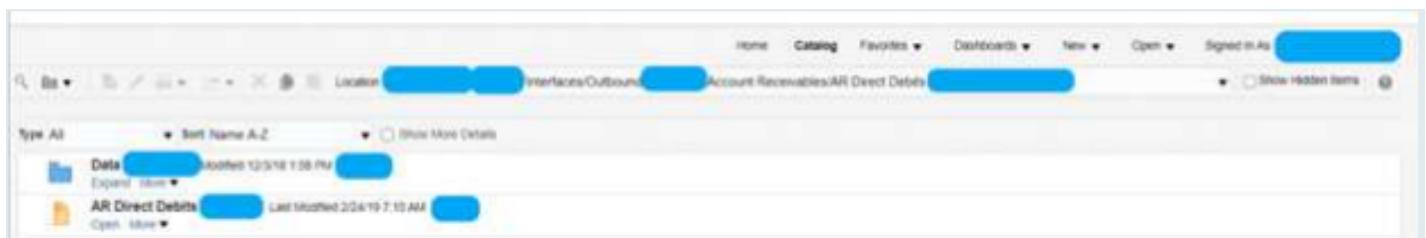
Click on More > Schedule

Select the Settlement Batch from LOV of Settlement Batch Name
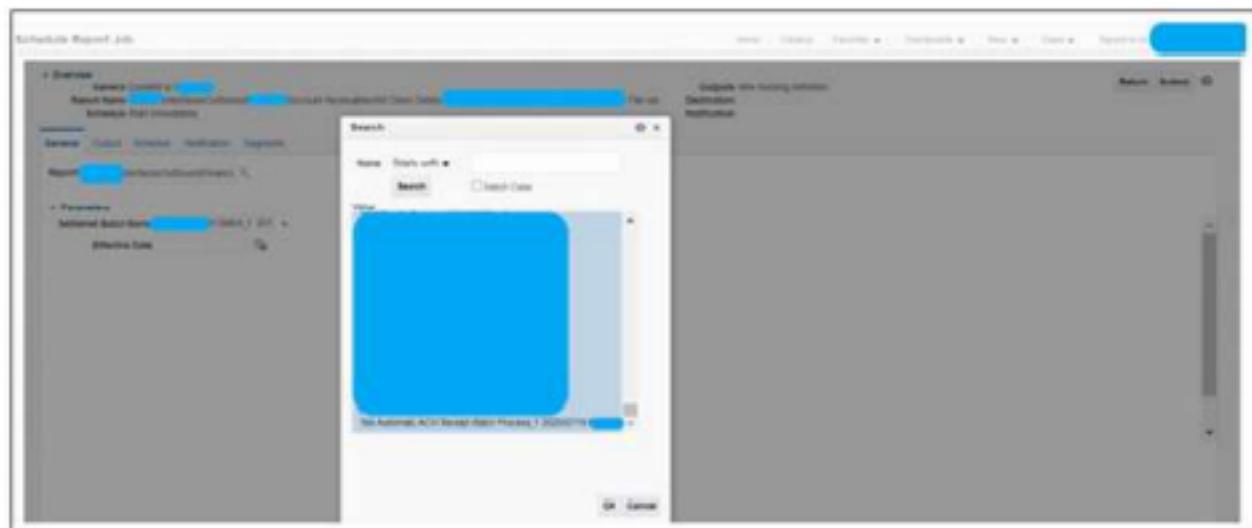
Enter Effective date

Click on Output

Select check box 'Use Bursting Definition to Determine Output & Delivery Destination'

Click on Schedule

Click on Submit

Enter Report Job Name

Click on OK
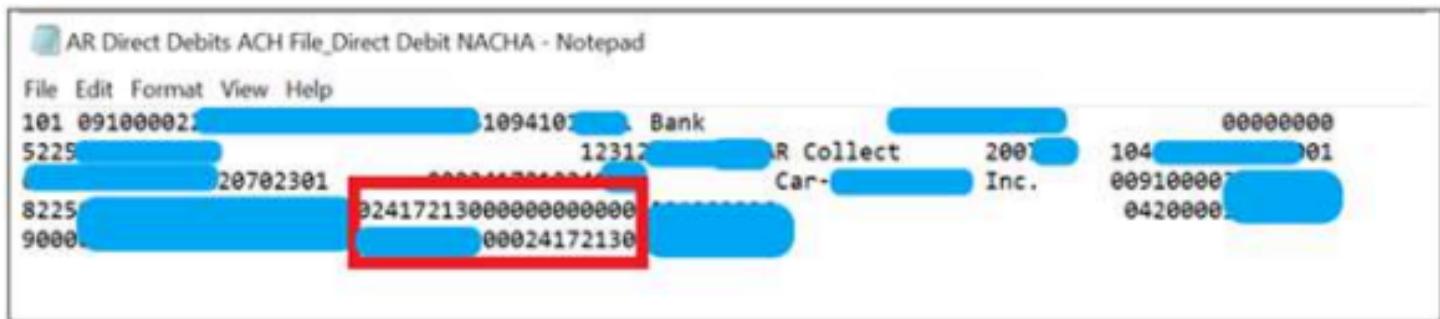
Check the Customer Number, Bank details, Amount etc.

Conclusion

Oracle's Automatic ACH Receipt Batch process is simple and easy to implement. By using Automatic ACH Receipt process, Business can receive the payments quickly and save time in cash application which is required in case of Wire and Check payments. Reconciliation becomes easy and quick.

Below process flow can be your Automatic ACH Receipt Application To Be process
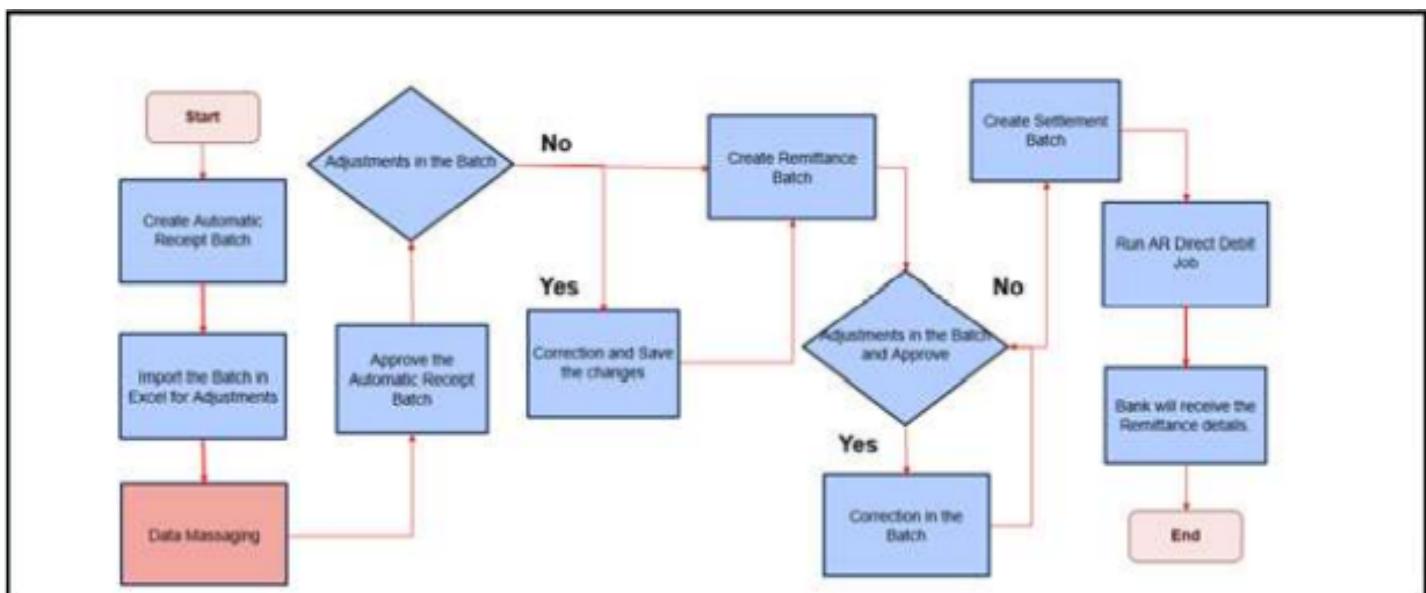
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