

Positive Pay

A simple but powerful way to stop the most common types of check fraud.



We've Been Here. We'll Be Here.

www.ffl.net

Welcome to First Federal Lakewood's Positive Pay system

Positive Pay is one of the most powerful tools you can use to protect your company against check fraud.

We take the information from check batches that you provide to the Positive Pay system and compare it against the checks as they are presented for payment. If differences or discrepancies are found, the check is flagged and placed in the Positive Pay exceptions list for you to review. You can then determine whether the check should be paid or rejected. It's a simple but powerful way to stop the most common types of check fraud.

First Federal Lakewood's Positive Pay can do even more. The ACH Positive Pay functionality allows you to set up rules to both pre-authorize specific ACH transactions and to monitor for ACH transactions that match specific guidelines. The system will then flag ACH transactions that fall outside of these rules. For many companies, ACH transactions involve larger sums than most checks, which makes the new ACH fraud protection system within Positive Pay even more valuable to your bottom line.

The purpose of this guide is to get you started with Positive Pay, so let's get going!



SECTION 1: Uploading your check information into Positive Pay 4

Entering a Batch of Checks 4

Entering Checks Individually..... 4

SECTION 2: Processing Exceptions and Transactions 5

Review Checks..... 5

Void a Check..... 6

Quick Exception Processing 6

Check Search..... 7

Paid Check Search..... 8

Reverse Positive Pay 8

SECTION 3: Transaction Reports 9

All Checks Report 9

Outstanding Issued Checks Report 10

Daily Checks Issued Summary Report 10

Paid Checks Report..... 11

ACH Transactions Report..... 11

Stops and Voids Report..... 12

Exception Items Report..... 13

Stale Dated Checks Report 13

Account Reconciliation Report..... 14

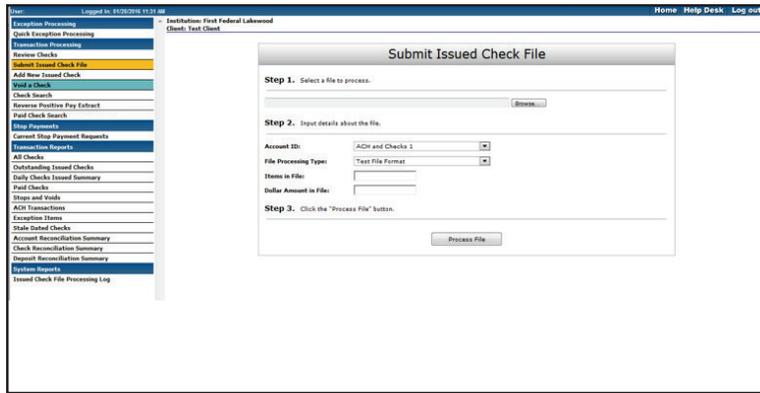
Deposit Reconciliation Summary Report 15

SECTION 4: System Reports 16

Issued Check File Processing Log 16

SECTION 1: Uploading your check information into Positive Pay

Entering a Batch of Checks



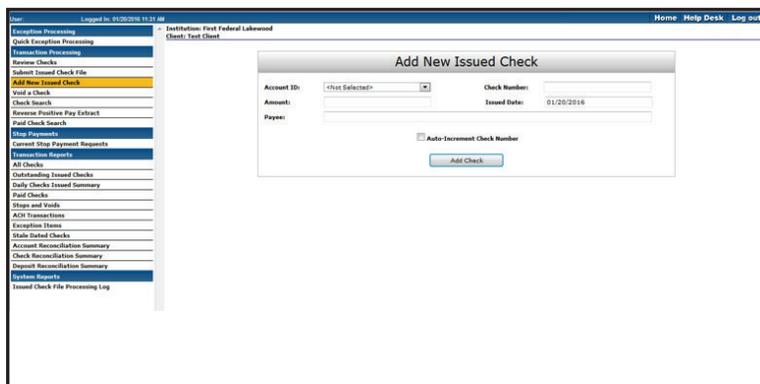
When we set up Positive Pay for your company, you provide us with a **Sample Export File** containing check data for a batch of issued checks. We use the Sample Export File to map the check data such as date, amount, and payee name to the corresponding import fields inside Positive Pay.

To get started, prepare your batch of checks using standard procedures in your accounting software. Once the batch of checks is complete, export the file in the format you have data-mapped with us.

1. Select **Submit Issued Check File** from the Positive Pay menu.
2. Select **Choose File** and locate the exported file for processing in the import dialogue screen.
3. Input the details of the import file including the File Type, Number of Items and Total Dollar Amount.
4. Select **Process File**.

That's it! You have successfully imported a batch of issued checks into the Positive Pay system. You are now ready to process the transactions.

Entering Checks Individually



To enter a newly issued check or a small number of checks on an individual basis:

1. Select **Add New Issued Check** from the Positive Pay menu.
2. Choose the appropriate Client ID.
3. Provide the Check Number, Amount and Payee for the check.
4. Click **Add Check** to enter the check into Positive Pay.

SECTION 2: Processing Exceptions and Transactions

Review Checks

The screenshot shows the 'Review Checks' interface with a table of check transactions. The table has the following columns: Status, Account ID, Issued Date, Paid Date, Check #, Amount, Payee, and Details. The data rows are as follows:

Status	Account ID	Issued Date	Paid Date	Check #	Amount	Payee	Details
1	ACH	01/11/2016	01/11/2016	View Image 8	\$500.00		Display
2	ACH	01/19/2016	01/19/2016	View Image 9	\$500.00		Display
3	ACH	01/11/2016	01/11/2016	View Image 6	\$500.00		Display
4	ACH	01/19/2016	01/19/2016	View Image 009	\$500.00		Display
5	ACH	01/11/2016	01/11/2016	View Image 013	\$500.00		Display
6	ACH	01/19/2016	01/19/2016	View Image 007	\$500.00		Display

The **Review Checks** screen displays all the issued checks you have reported to the system. From here you can view the Status, Issued Date, Paid Date if posted, Check Number and Check Image, Amount, Payee and Details of the check.

The screenshot shows the 'Review Checks' interface with a detailed view of a check transaction. The fields are as follows:

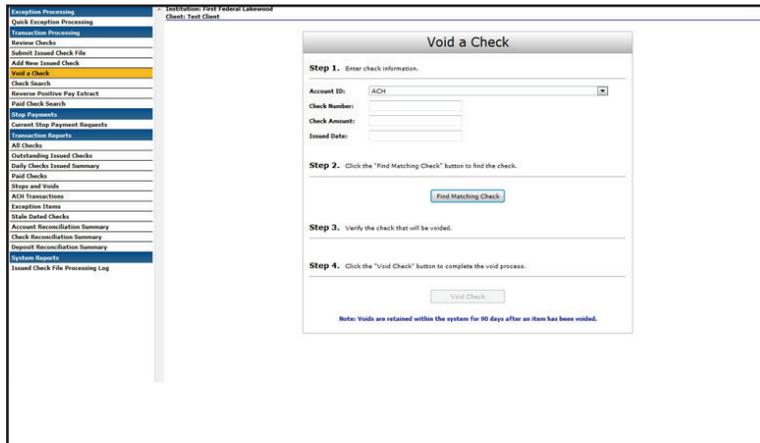
Status	Account ID	Issued Date	Paid Date	Check #	Amount	Payee	Details
1	ACH	01/19/2016	01/19/2016	View Image 6	\$5,000.00		Display
2	ACH	01/19/2016	01/19/2016	View Image 6	\$200.00		Hide

Account ID: ACH | Check Number: 6 | Amount: 100.00
 Issued Date: 01/19/2016 | Paid Date: 01/19/2016 | Return Reason: (None Selected)
 Date Reconciled: | Year Number: 100 | Additional Notes:

The **Display** link in the details column will display all the details of the check and allow you to pay or return the check if it was marked as an exception in Positive Pay.

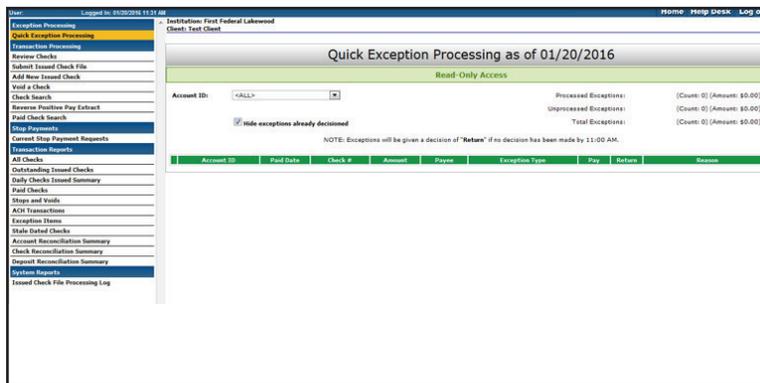
1. Review the Transaction Detail Information and select **Update** to process the exception, or select **Delete** to remove the transaction from the list.

Void a Check



1. Select **Void a Check** from the Positive Pay menu.
2. Enter the check information.
 - Select the Client ID from the drop down, or leave it at (All) to search through all clients.
 - Enter the Check Number, Check Amount and Issued Date.
3. Click **Find Matching Check** to search for a matching check in a list of those already submitted to Positive Pay.
4. Review the results to ensure that it is the correct transaction.
5. Click **Void Check** to complete the process.

Quick Exception Processing



The Quick Exception Processing List displays the transactions where discrepancies were found and other helpful information such as the Paid Date, Check Number and Check Image on check transactions, Amount, Payee and the Reason for the exception all at a glance.

1. Select **Quick Exception Processing** from the Positive Pay menu.
2. From here you can make your payment decision on each item:
 - Selecting **Pay** will retain the item as posted.
 - Selecting **Return** will remove the transaction from your account, and credit the funds back to the account. If you choose Return, you must also select a reason from the drop down menu.
3. When you have completed your review of all exceptions click **Save** to complete the process.

Check Search

The screenshot shows a web application interface for 'Check Search'. The top navigation bar includes 'Home', 'Help Desk', and 'Log out'. The left sidebar contains a menu with various options such as 'Exception Processing', 'Check Exception Processing', 'Transaction Processing', 'Review Checks', 'Submit Issued Check File', 'Add New Issued Check', 'Void a Check', 'Check Search', 'Reverse Positive Pay Extract', 'Paid Check Search', 'Stop Payment', 'Current Stop Payment Requests', 'Transaction Reports', 'All Checks', 'Outstanding Issued Checks', 'Daily Checks Issued Summary', 'Paid Checks', 'Stops and Voids', 'ACH Transactions', 'Exception Items', 'Stale Dated Checks', 'Account Reconciliation Summary', 'Check Reconciliation Summary', 'Deposit Reconciliation Summary', 'System Reports', and 'Issued Check File Processing Log'. The main content area is titled 'Check Search' and contains a form with the following fields:

- Client:** Test Client
- Account ID:** Three dropdown menus with options '<All>', '<2>', and '<3>'.
- Issued Date:** Start and End date fields.
- Paid Date:** Date field.
- Check Number:** Range input fields.
- Check Amount:** Range input fields.
- Issued Payee:** Text input field.
- Transaction Status:** Dropdown menu with '<All Transaction Statuses>'.
- Stop Pay Status:** Dropdown menu with '<All Stop Pay Statuses>'.
- Decision:** Dropdown menu with '<All Decisions>'.
- Reason:** Dropdown menu with '<All Reasons>'.

A 'Produce Report' button is located at the bottom of the form. Below the button, a note states: 'Note: Transaction history is retained within the system for 90 days after an item has paid.'

Check Search provides a flexible way to produce customized reports on checks stored in Positive Pay. Enter any or all of the following information to create your customized report.

1. Select the Client ID:

- Select **All** to include all of your client accounts. Or, **Selected** to select up to 3 specific accounts.

2. Select any of the following filters to limit the report:

- Issued Date range
- Paid Date range
- Check Number range
- Check Amount range
- Issued Payee Name
- Transaction Status
- Stop Pay Status
- Decision
- Return Reason

3. Click **Produce Report** to display a list of all checks matching the criteria you chose.

Paid Check Search

To create a custom report for a specific paid check or series of paid checks, define parameters for the paid checks you would like to view.

1. Select the Client ID.
 - Select **All** to include all of your client accounts. Or, **Selected** to select up to 3 specific accounts.
2. Select any of the following filters to limit the report:
 - Paid Date range
 - Check Number range
 - Check Amount range
 - Issued Payee Name
3. Click **Produce Report** to view the results of your Paid Check Search.

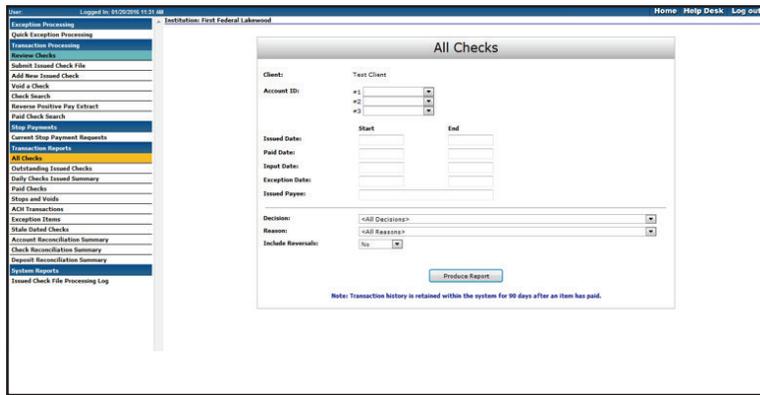
Reverse Positive Pay

Reverse Positive Pay, also known as Partial Account Reconciliation, is the practice of exporting a file of paid checks to load into your accounting system. The export file can be CSV, Excel, BAI2, or customized to the requirement of your accounting system.

You can then use your accounting system to reconcile each item and identify exceptions. If the reconciliation process in your accounting system flags an item as suspect and you determine the check should be returned, you can contact us. The check can then be reversed and returned.

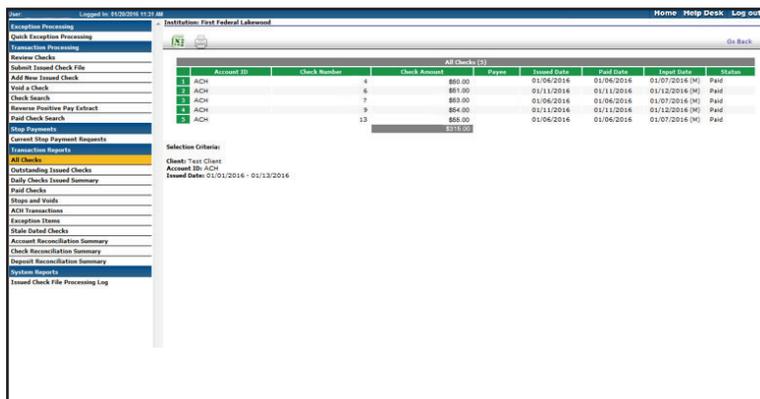
SECTION 3: Transaction Reports

All Checks Report



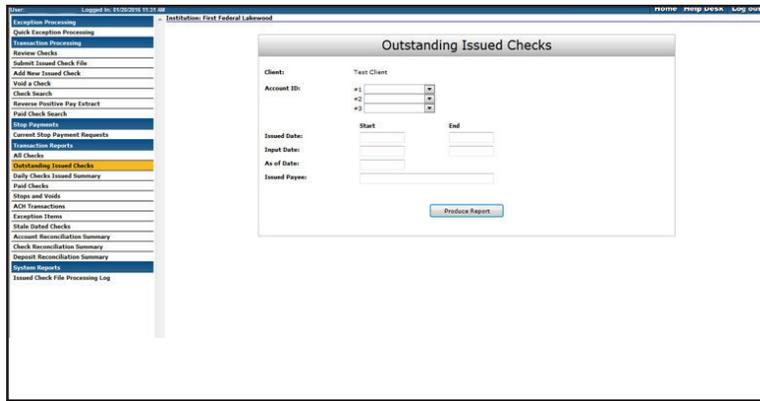
Select **All Checks** from the Positive Pay menu to generate a report of all the check transactions you have entered into the Positive Pay system.

1. Select the Client ID:
 - Select **All** to include all of your client accounts. Or, **Selected** to select up to 3 specific accounts.
2. Select any of the following filters to limit the report:
 - Issued Date range
 - Paid Date range
 - Input Date range
 - Exception Date range
 - Issued Payee Name
 - Decision
 - Return Reason
3. To include reversals, select the **Include Reversals** check box.
4. Click **Produce Report**.



The resulting report will provide a detailed list of all checks matching the criteria you selected including the Client ID, Check Number, Amount, Payee, Issued and Paid Dates, Input Dates and Status of each item. You can export or print a report as needed.

Outstanding Issued Checks Report



Select **Outstanding Issued Checks** from the Positive Pay menu to find outstanding checks you have issued.

1. Select the Client ID:

- Select **All** to include all of your client accounts. Or, **Selected** to select up to 3 specific accounts.

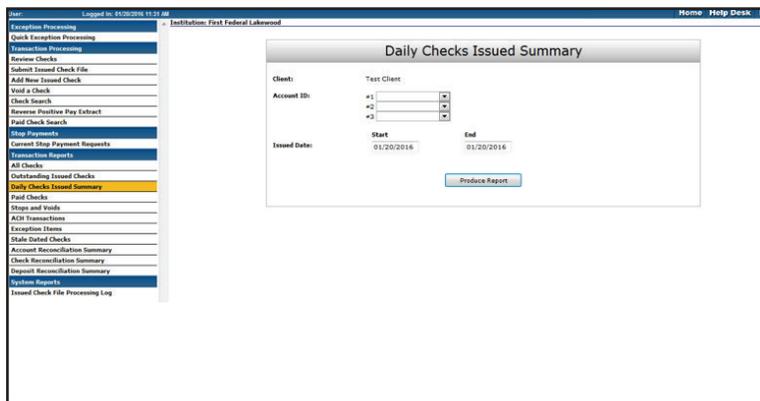
2. Select any of the following filters to limit the report:

- Issued Date range
- Input Date range
- Outstanding as of Date
- Issued Payee Name

3. Click **Produce Report**.

When you produce the report, it will display any outstanding checks that match the criteria you selected. The report can be exported or printed.

Daily Checks Issued Summary Report



Select **Daily Checks Issued Summary** from the Positive Pay menu to display a report showing the checks issued on a specific day.

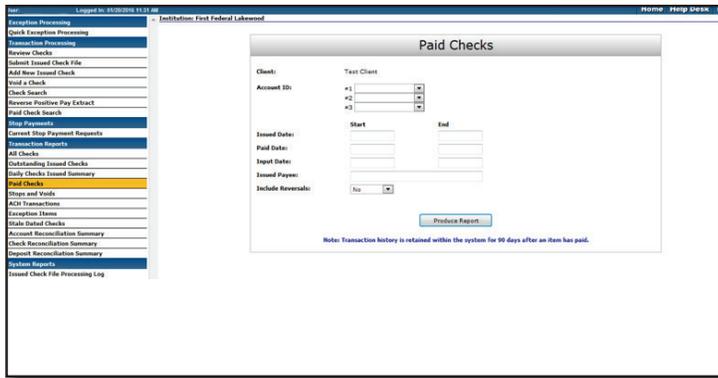
1. Select the Client ID:

- Select **All** to include all of your client accounts. Or, **Selected** to select up to 3 specific accounts.

2. Select the **Issued Date** check box, and enter a Start and End date to define the search date range.

3. Click **Produce Report** to view the results. The report can be exported or printed.

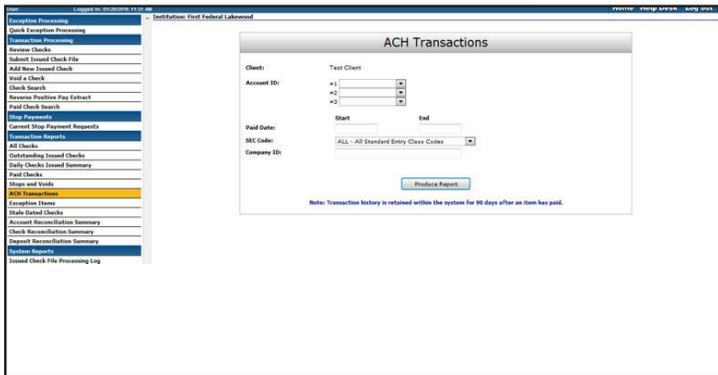
Paid Checks Report



Select **Paid Checks** from the Positive Pay menu and define the parameters to create a report of checks that have been paid.

1. Select the Client ID.
 - Select **All** to include all of your client accounts. Or, **Selected** to select up to 3 specific accounts.
2. Select any of the following filters to limit the report:
 - Issued Date range
 - Paid Date range
 - Input Date range
 - Issued Payee Name
3. Click **Produce Report** to view the results. The report can be exported or printed.

ACH Transactions Report



Select **ACH Transactions** from the Positive Pay menu and define the parameters to create a report showing your ACH transactions.

1. Select the Client ID.
 - Select **All** to include all of your client accounts. Or, **Selected** to select up to 3 specific accounts.
2. Select any of the following filters to limit the report:
 - Paid Date range
 - SEC Code
 - Company ID
3. Click **Produce Report** to view the results. The report can be exported or printed.

Stops and Voids Report

The screenshot shows a software interface for generating a 'Stops and Voids' report. The left sidebar contains a menu with various report options, with 'Stops and Voids' highlighted. The main window is titled 'Stops and Voids' and contains the following fields and options:

- Client:** Test Client
- Account ID:** A dropdown menu with options #1, #2, and #3.
- Issued Date:** Start and End date fields.
- Void Date:** Start and End date fields.
- Stop Placed Date:** Start and End date fields.
- Item Stopped Date:** Start and End date fields.
- Issued Payee:** A text input field.
- Stops and Voids Criteria:** A list of checkboxes:
 - Requested Stop Pay
 - Requested and Placed Stop Pay
 - Item Stopped
 - Void
- Produce Report:** A button at the bottom.

A note at the bottom of the form states: "Note: This report lists all outstanding issued checks that have been voided and/or match to current stop payments."

Select **Stops and Voids** from the Positive Pay menu and define the parameters to create a report that shows checks that were stopped or voided.

1. Select the Client ID.
 - Select **All** to include all of your client accounts. Or, **Selected** to select up to 3 specific accounts.
2. Select any of the following filters to limit the report:
 - Issued Date range
 - Void Date range
 - Stop Placed Date range
 - Item Stopped Date range
 - Issued Payee Name
3. If you want to view checks with a certain status, use the check boxes to select the **Stops and Voids Criteria** that you wish to include in your report.
4. Click **Produce Report** to view the results. The report can be exported or printed.

Exception Items Report

Select **Exception Items** from the Positive Pay menu to display a report showing your exception items.

1. Select the Client ID.
 - Select **All** to include all of your client accounts. Or, **Selected** to select up to 3 specific accounts.
2. Select the **Exception Date** check box, and enter a Start and End date to define the search date range.
3. Select any of the following filters to limit the report:
 - Choose the Exception Type from the drop down.
 - Choose the Decision from the drop down.
 - Choose the Return Reason from the drop down.
4. If you want to include reversals, check the **Include Reversals** check box.
5. Click **Produce Report** to view the results. The report can be exported or printed.

Stale Dated Checks Report

Select **Stale Dated Checks** from the Positive Pay menu to display a report showing your stale dated checks.

1. Select the Client ID.
 - Select **All** to include all of your client accounts. Or, **Selected** to select up to 3 specific accounts.
2. Select any of the following filters to limit the report:
 - Issued Date range
 - Input Date range
 - As of Date range
 - Issued Payee
3. Click **Produce Report** to view the results. The report can be exported or printed.

Account Reconciliation Report

The top screenshot displays the 'Check Reconciliation Summary' form. It includes a sidebar menu with options like 'Exception Processing', 'Transaction Processing', and 'System Reports'. The main form has 'Account ID' set to 'ACH' and 'Reconcile Through Date' set to '01/19/2016'. A 'Select' button is visible below the date field. A note at the bottom states: 'Note: Transaction history is retained within the system for 90 days after an item has paid.'

The bottom screenshot displays the 'Check Reconciliation Statement' report. It shows the 'Reconcile Through Date' as '01/19/2016' and the 'Account ID' as 'ACH and Checks 1'. The report is divided into three main sections: 'Transaction Summary', 'Daily Balance Summary', and 'Reconciliation History'.

Transaction Summary	
Issued Checks	Show (001) (+) \$1,000,000.00
Paid Checks	Show (001) (-) \$1,000,000.00
Stop Payments	(-) \$0.00
Other	(-) \$0.00
Current Outstanding Checks	(+) \$0.00

Daily Balance Summary	
Current Balance:	\$700,000.00
Outstanding Check Amount:	\$0.00
Check Register Balance:	\$700,000.00

Reconciliation History	
Date	

Buttons for 'Finish Reconciliation' and 'Cancel' are located at the bottom of the report.

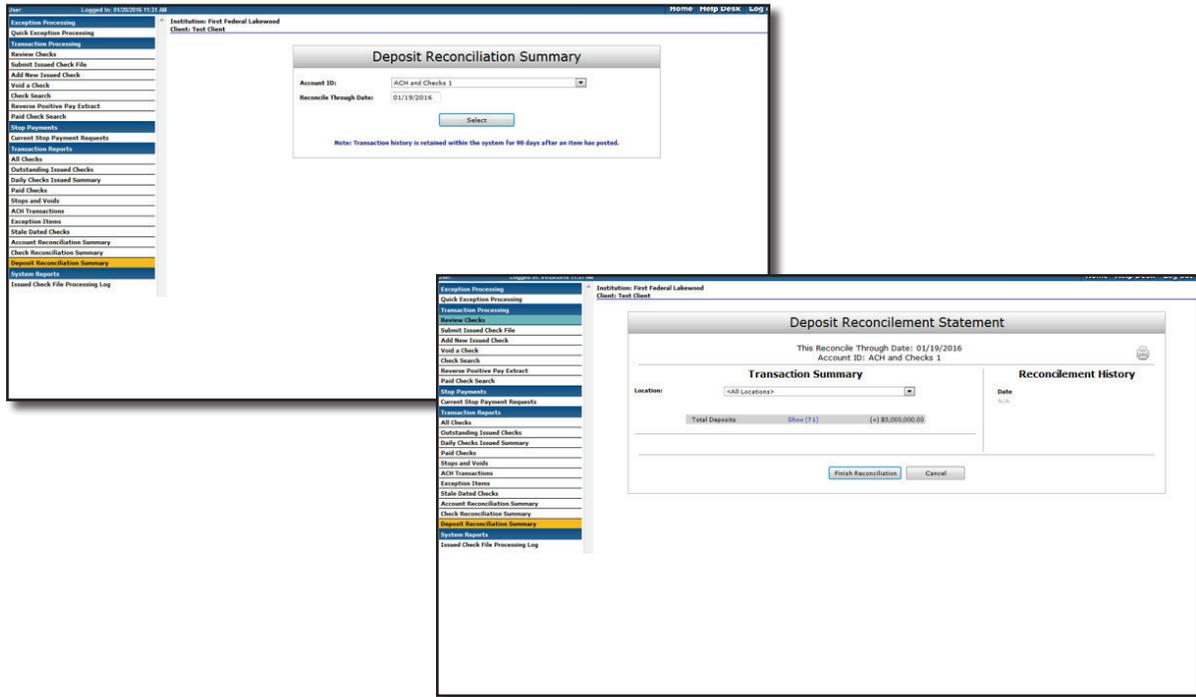
A powerful feature of our Positive Pay system is its ability to generate an Account Reconciliation Summary. Select **Check Reconciliation Summary** from the Positive Pay menu to display the report.

1. Select the account you wish to reconcile and the end date of the reconciliation. The beginning date is the last date the report was generated.
2. Click **Produce Report**.

Positive Pay will generate a reconciliation of your transaction activity during the selected period. Included in this summary is the breakdown of check activity in groups including issued items, voided and stopped items, along with all other transaction activity.

3. Click on any line item to view the transactions included in the total.
4. Click **Finish Reconciliation** to create a report which will appear in the history list. The report can be exported or printed.

Deposit Reconciliation Summary Report



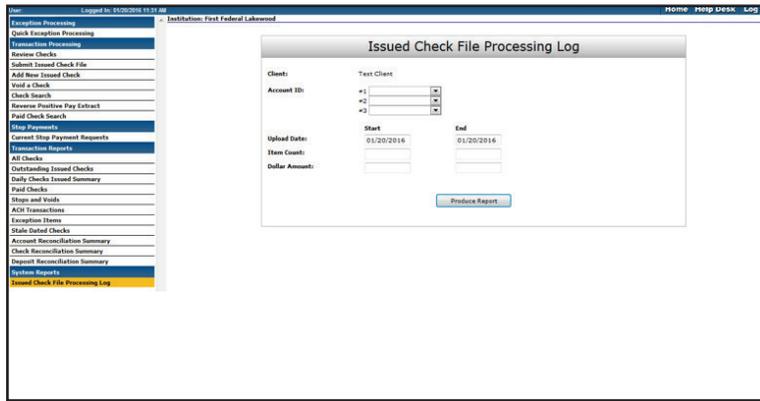
Positive Pay can also generate a Deposit Reconciliation Summary. This is especially valuable for businesses that make deposits at multiple branches. Select **Deposit Reconciliation Summary** from the Positive Pay menu to create a report.

1. Select the account you wish to reconcile.
2. Decide whether to include all locations or a specific location.
3. Enter the end date of the reconciliation. The beginning date is the last date that the report was generated.
4. Click **Produce Report** to view the results.

Positive Pay will generate a reconciliation of your deposits, grouped by location, for the selected period. The report can be exported or printed.

SECTION 4: System Reports

Issued Check File Processing Log



The Issued Check File Processing Log provides a report displaying the transaction files you have submitted to Positive Pay. Select **Issued Check File Processing Log** in the Positive Pay menu to create a report.

1. Select the Client ID.
 - Select **All** to include all of your client accounts. Or, **Selected** to select up to 3 specific accounts.
2. Select any of the following filters to limit the report:
 - Upload Date Range
 - Item Count Range
 - Dollar Amount Range
3. Click **Produce Report** to view the results.

The report displays the File Type, Results, Number of Items in the file, Amount of the items, Upload Date, User and File Name. The report can be exported or printed.