

HOW TO SET UP DIRECT DEPOSIT FOR EMPLOYEES

Question

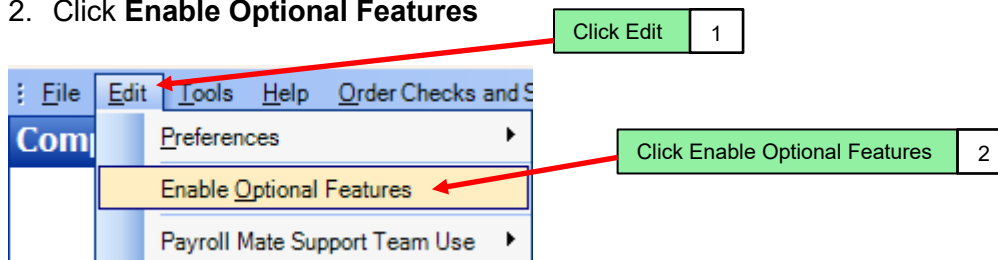
PLEASE REFER TO THE STEPS BELOW:

Answer

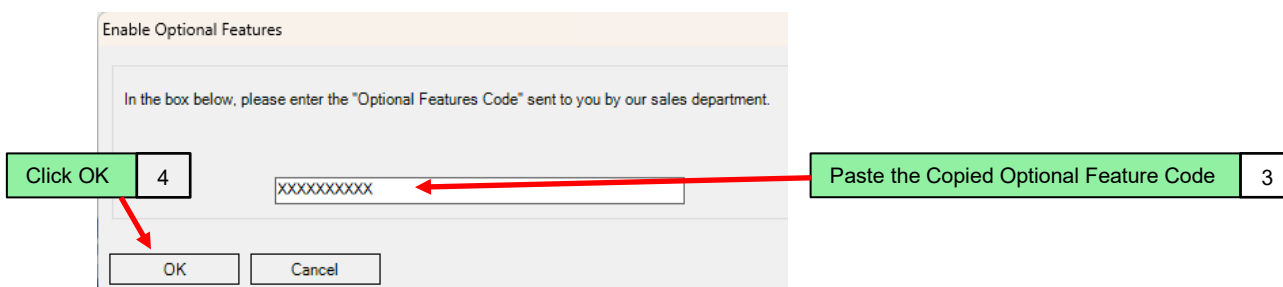
- ❖ We Thank you for your interest in Payroll Mate Option # 2 (Direct Deposit).
- ❖ In order to generate the NACHA file (Direct Deposit File), you will need to purchase Payroll Mate Option # 2, in addition to purchasing the standard Payroll Mate Software.
- ❖ You will also need to set up an account with NatPay ACH provider (or successfully test the ACH file generated by Payroll Mate with your bank / ACH provider) in order to purchase Direct Deposit. Please send an email to sales@realtaxtools.com for more information.

Once you have purchased the direct deposit feature, you will need to enable it in Payroll Mate
If you have done so already, proceed to step 5.

1. Click **Edit**
2. Click **Enable Optional Features**



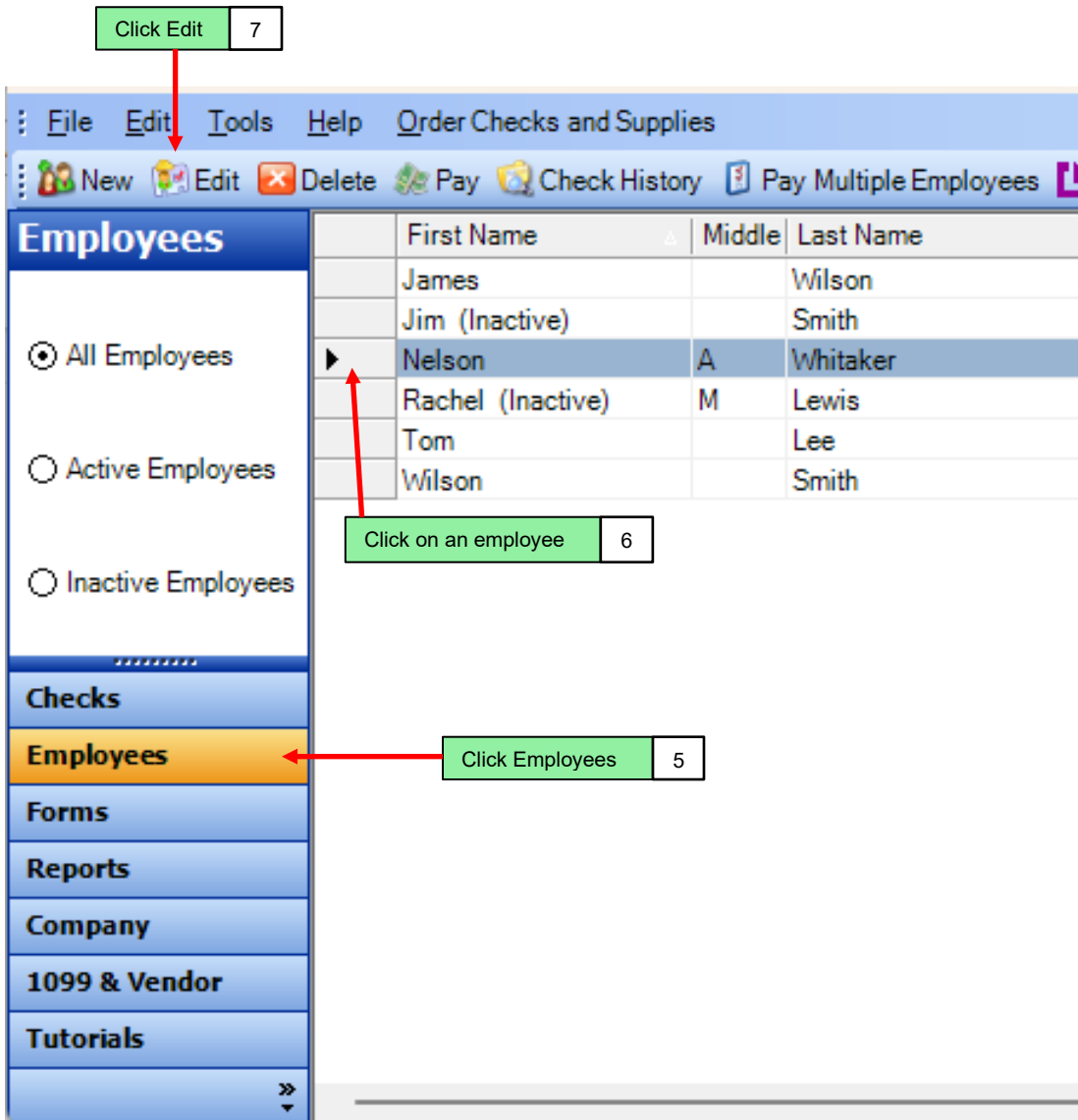
3. **Copy** the **Optional Feature Code for Direct Deposit** you were provided in the email with your purchase of direct deposit and **Paste** it in the Enable Optional Features. Please copy and paste the code as is, do not type. Make sure there are no spaces before or after.
4. Click **OK**



You will need to complete the direct deposit options in each applicable employee's wizard that will be included in direct deposit.

If you have done so already, proceed to step 15.

5. Click **Employees** from the shortcut menu
6. Click on an **employee** from the list
7. Click **Edit**



The screenshot shows the Payroll Mate software interface. At the top is a menu bar with options: File, Edit, Tools, Help, and Order Checks and Supplies. Below the menu bar is a toolbar with icons for New, Edit, Delete, Pay, Check History, and Pay Multiple Employees. On the left is a navigation pane with a tree view containing: Employees (selected), Checks, Forms, Reports, Company, 1099 & Vendor, and Tutorials. The main area displays a table of employees.

Click Edit 7

Click on an employee 6

Click Employees 5

	First Name	Middle	Last Name
	James		Wilson
	Jim (Inactive)		Smith
	Nelson	A	Whitaker
	Rachel (Inactive)	M	Lewis
	Tom		Lee
	Wilson		Smith

8. The Modify Employee Wizard will appear, click **Next**

Modify Employee X

Welcome to the "Modify Employee" Wizard!

This wizard will guide you through the process of modifying an existing employee.

To continue, please click "Next".

Click Next 8

Cancel < Back Next > Finish

continue to click Next until you reach the Direct Deposit screen.

9. Place a checkmark in the **Include in Direct Deposit Process**

10. Select the **Account Type** in the drop-down

11. Enter the **Bank Routing Number**

12. Enter the **Account Number**

13. Click **Next**

Modify Employee X

Direct Deposit

Place a checkmark Include in Direct Deposit Process 9

☒ Include in Direct Deposit Process

Banking Information

Account Type: Checking Select Account Type 10

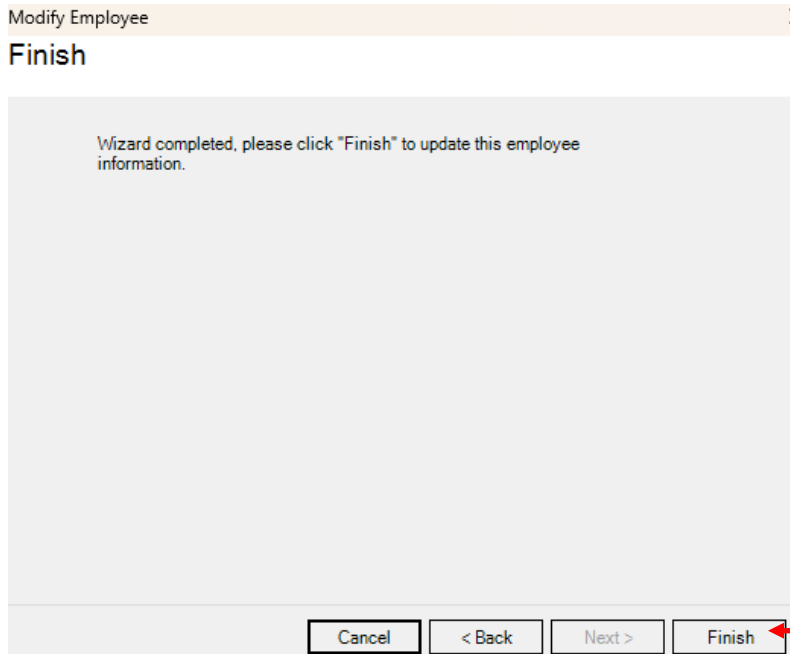
Bank Routing Number: Enter Bank Routing Number 11

Account Number: Enter Account Number 12

Click Next 13

Cancel < Back Next > Finish

14. Click **Next** again, until you reach the Finish screen. Click **Finish**



Please note: Your information will not save unless you press "Finish". You need to repeat these steps for all direct deposit employees.

Click Finish 14

You will need to create payroll checks for your employees. If you have already created checks for your employees, skip this step.

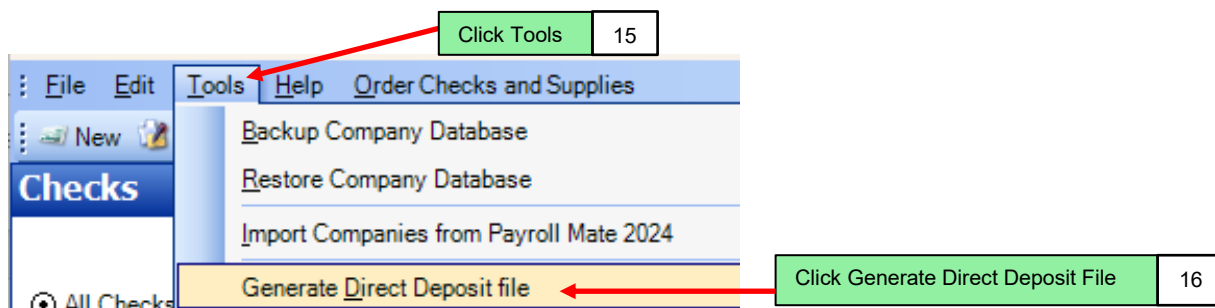
For help creating payroll checks, see the following tutorial:

<http://www.payrolltutorials.com/2015/04/02/how-to-create-a-check/>

Once you have created the payroll checks, you will need to create a direct deposit file.

15. Click **Tools**

16. Click **Generate Direct Deposit file**



Click Tools 15

Click Generate Direct Deposit File 16

17. Complete **Direct Deposit Options**
18. **Select Browse** and choose a location to save the direct deposit file.
19. Click **OK**

Complete Direct Deposit Options 17

Direct Deposit Options

Items included in the Direct Deposit file:

Include checks that have a pay date in the range From: Month DD, YYYY To: Month DD, YYYY

☐ Exclude checks that have been processed before
(exclude checks that have been included in a Direct Deposit file before)

☐ Exclude company information *(Check this box if you want to create Un-balanced file, otherwise if you want to create a Balanced file then keep this box Unchecked)*

Company Banking Information
*Please contact your bank in order to get the values for all the fields in this section
For more details please refer to our help file*

Originating Bank Routing Number

Origin Name

Immediate Origin (File Header Record, Field 4)

Company Identification (Batch Header Record, Field 5)

Company Entry Description (Batch Header Record, Field 7) PAYROLL

Destination Bank Routing Number

Destination Name

Company Bank Account Type Checking

Company Bank Account Number

Company Bank Routing Number

Output File Options

File Creation Date Month DD, YYYY File ID Modifier A

File Path: C:\Payroll Mate ACH Browse...

OK Cancel

Please be advised that prior to completing the fields in the Company Banking Information section, it is essential to contact the bank responsible for processing the Direct Deposit file. The bank will provide the necessary information to accurately fill out these fields.

See Company Banking Information Notes below for some guidance on Company Banking Information fields.

Note: File ID Modifier needs to be changed only if you are creating and sending multiple direct deposit files to your bank.

Click OK 19

Select Browse 18

Company Banking Information Notes:

Below, we have included some notes regarding "Company Banking Information." Please note that these notes are for reference only and should not be considered an official definition of how each field should be completed, as the bank determines the specific information required for the Direct Deposit file.

- ❖ **Originating Bank Routing Number:** This could be the transit routing number of the company's bank. Payroll Mate accepts only valid routing numbers. A transit routing number, often referred to as a routing transit number (RTN) or ABA routing number, is a nine-digit numerical code used to identify a specific bank or financial institution in the United States.
- ❖ **Origin Name:** This field could be filled with the company's name.
- ❖ **Immediate Origin:** This field's value is used to identify your company. Your bank might for example choose to use your IRS Federal Identification Number or even create a unique number for you.
- ❖ **Company Identification:** Payroll Mate uses this field's value to fill in "Company Identification" field in the Direct Deposit file which appears on Field 5 in the "Batch Header Record" and Field 7 in the "Batch Control Record". Whether this field's value is the same as a company's Federal EIN, or it is set to any different value, is a matter decided by the bank processing the Direct Deposit file.
- ❖ **Company Entry Description:** This field's value is used to describe the purpose of the bank transaction; this description might be printed on the employee's bank statement. Payroll Mate fills this field with the default value of "PAYROLL" and gives you the option to change it as necessary after consulting your bank.
- ❖ **Destination Bank Routing Number (routing number of bank that will be processing this direct deposit file):** This value should be provided by your bank. Payroll Mate accepts only valid routing numbers. In general, "Destination Bank Routing Number" and the "Destination Name" are used when your (usually small) bank passes the file off to another larger bank to process. So, if your bank does the processing of direct deposit files itself then they will be the same as your own bank (the company's bank). Please still try to verify this info with your bank since some banks might treat these fields differently.
- ❖ **Destination Name (bank that will be processing this direct deposit file):** This could be the name of the company's bank.

20. Direct Deposit Confirmation will appear. **Review the list of checks to be included in the direct deposit file.**

21. Once reviewed, click **Proceed**

Review the list of checks

20

Direct Deposit Confirmation ✕

The table below shows you a list of the checks that will be included in the Direct Deposit file, with a separate row for each check.

If you want to exclude any check from the Direct Deposit file, just **UNCHECK** the box in the "Include" column on the most left of the check's row.

You can click on "Proceed" button to generate the Direct Deposit file or you can click "Cancel" to abort the Direct Deposit file generation process.

Company Banking Information

	Include	Check #	Pay Date	Net Pay	Employee Name	Was Processed Before
▶	☒	4	xx/xx/xxxx	1736.42	Wilson Smith	☐
	☒	5	xx/xx/xxxx	2145.17	Nelson Whitaker	☐
	☒	6	xx/xx/xxxx	641.35	James Wilson	☐

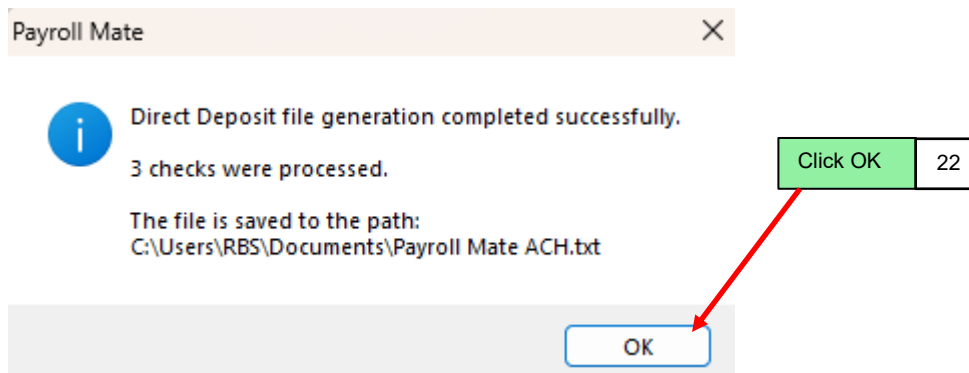
Click Proceed

21

Proceed

Cancel

22. Direct Deposit file generation completed successfully message will appear with a total number of checks that were processed, click **OK**



- ❖ It is your responsibility to upload the direct deposit file to NatPay or your bank / ACH processing service.
- ❖ Your direct deposit file has now been created and successfully saved to the location you chose previously in step 18. It is now your responsibility to upload the direct deposit file to your bank or third-party service. If you are unsure of how to do this, you will need to contact your bank or third-party service for further instruction.