



***ELECTRONIC
FUNDS TRANSFER
GUIDE***

ACH CREDIT METHOD

Included inside is an application form and instructions.

INTRODUCTION

Job Service North Dakota (JSND) has developed a program to accept Unemployment Insurance (UI) tax payments through electronic funds transfer (EFT). EFT reduces both the time and expense involved in generating and handling paper checks and allows for quicker application of tax payments.

EFT is a method of directing a financial institution to transfer funds from one account to another. Private business and the federal government have been using EFT technology for many years. For example, the direct deposit of employees' wages and Social Security payments are made through EFT. Many corporations also use EFT to pay their suppliers for goods and services.

The Job Service North Dakota EFT program employs the Automated Clearing House (ACH) credit transaction method, which is a national standard for the electronic transfer of funds using the ACH network.

The information contained in this program guide is designed to provide you with specific information on our EFT program. Contents include participation guidelines, registration information, payment method, tax form filing requirements, standard file and record formats, as well as an application form.

We hope you find this program guide to be a helpful resource and encourage you to become a part of the Job Service EFT program.

Note: This guide provides instructions and an application form for ACH Credit. You can also download the guide from our Internet website. The guide is in Adobe Acrobat format. Our web address is jobsnd.com.

REGISTRATION

How to register. To register for our EFT program, please complete the Application for ACH Credit Transfer. Mail your completed form to: Job Service North Dakota, EFT Coordinator CS/Business Services, PO Box 5507, Bismarck, ND 58506-5507. Or you can FAX your form to us by dialing 701-328-1882. Our staff will review your application and mail or email you a notice confirming your registration. The confirmation notice will also contain the information you will need in order to make correct EFT transmissions. If you need more information, please call 1-800-472-2952 or 701-328-2814.

If you have changes to the EFT such as contact person, mailing address, telephone number, etc. report them immediately to Job Service North Dakota, EFT Coordinator CS/Business Services, PO Box 5507, Bismarck, ND 58506-5507 or email at jsuits@state.nd.us or fax to 701-328-1882 or call 1-800-472-2952 or 701-328-2814.

Hours of operation. Normal working hours are 8:00 a.m. to 5:00 p.m. Central Time. Fax 701-328-1882 and email (jsuits@state.nd.us) is available for off-hours communication.

PAYMENT METHOD—AUTOMATED CLEARING HOUSE (ACH) CREDIT

Definition. The ACH Credit method allows you to transfer funds by instructing your financial institution (technically referred to as the "Originating Depository Financial Institution", ODFI) to debit your account and to credit the Job Service North Dakota Unemployment Insurance bank account.

Cost. You must pay any fees charged by your financial institution for ACH Credit transactions.

Record formats. In order to report your tax payment correctly, your financial institution must originate your payment using the “Cash Concentration or Disbursement” (CCD) format. Check with your financial institution to make sure they can transfer your tax payment using this record format.

How to report a payment by ACH Credit. Contact your financial institution for specific procedures regarding the electronic payment of taxes. Before your financial institution can send your payment, you must provide them with the filing information required to complete the ACH CCD records (i.e., CCD Entry Detail Record Format (shown on page 4) along with all the information that goes in these records). The record format for the CCD entry detail is included in this program guide. In order to receive Job Service North Dakota’s bank routing/transit and bank account numbers you must file your EFT application with Job Service North Dakota. We will mail or email you a confirmation notice with our bank routing transit number and our designated account number.

This ACH Credit program guide and your confirmation notice should be taken to your financial institution before submitting your first payment.

Pre-notifications (Pre-note) and tests. It is strongly recommended that taxpayers make an error-free pre-note transaction before commencing the electronic transmission of funds to Job Service North Dakota. A pre-note transaction is a zero-dollar payment in a CCD format. CCD depositors will be notified if errors are found in pre-note transaction(s) or upon request.

If you do a pre-note it must be done at least 10 calendar days before the first live EFT payment.

For questions about sending a zero-dollar test transaction, call Job Service North Dakota at 1-800-472-2952 or 701-328-2814.

Zero-dollar transactions. If you owe no tax on a payment date, you should not send a transaction through the ACH network. ACH is only for tax amounts due.

Taxpayer/service provider responsibilities. Persons remitting payments electronically should maintain adequate documentation to substantiate the initiation of an electronic funds transfer for payment of tax for all electronic funds transfer payment methods.

Taxpayers and service providers who apply to remit using the ACH credit method are responsible for ensuring that their financial institution can support the ACH credit method for payments to Job Service North Dakota. Taxpayers and service providers remitting by ACH credit method are also responsible for understanding the correct usage of the software or the service they use to remit electronically and to submit payment information contained in the ACH file in the correct format.

Note: Job Service North Dakota is not responsible for instruction on the usage and reliability of the products and services of financial institutions or other companies, nor for fees charged by financial institutions, service providers and others.

Standard Procedures

Payment due date. Your payment due date will remain the same. To be considered timely, your EFT payment must be received by Job Service North Dakota’s bank no later than the payment due date for the tax period. It is the taxpayer’s responsibility to determine the transfer deadline required by their financial institution for acceptance of ACH credit transactions. Check with your financial institution to determine when you should initiate your payment so it will be received on time.

If a payment due date falls on a legal holiday or weekend, the tax payment must be received on the first business day after the holiday or weekend. Timely payments are based on the settlement date (the date on which the tax has been credited). Financial institution holidays in other states may vary. Make sure to check with your financial institution.

How your payment is applied. If your account has a balance due from a past quarter the current payment will be used to pay the past due amount first then the balance of the payment will be used to pay the current quarter. Payments will be applied to penalty first, and then to contributions and interest.

Corrections. If you feel an EFT payment was made in error, contact your financial institution for their correction procedures. You must also contact our EFT Coordinator at 1-800-472-2952 or 701-328-2814. Do not attempt to reverse your transaction.

Incorrect record formats. If you remit a payment with an incorrect format, we may return your payment. A returned payment may result in it being late and thus subject to an interest charge.

Verification of timely payment. Your financial institution should provide you with verification of transferred amounts and effective dates. Job Service North Dakota will not verify receipt of routine EFT payments, but will assist in resolving payment discrepancies.

Proof of payment. If you require proof of payment, it is your responsibility to work with your financial institution to obtain verification that your funds were transferred from your account into Job Service North Dakota's Unemployment Insurance account. Your bank can supply you with a trace number that is generated for the ACH network.

Duplicate and other erroneous payments. Duplicate payments will be posted to the taxpayer's account, as will overpayments made to a valid tax account. Payments made in error will also be posted to that account. Other erroneous payments will be handled on a case-by-case basis.

Refunds and reversals. Refunds will not be issued electronically through the ACH network. No reversals will be allowed.

Record keeping requirements. Persons remitting electronically should maintain documentation to substantiate the initiation of an electronic funds transfer for payment of the tax. Mandatory record keeping requirements for EFT remitters are the same as stated for other payment methods.

FILING YOUR EMPLOYER CONTRIBUTION AND WAGE REPORTS

Quarterly Contribution and Wage Reports must still be submitted, either on paper or using electronic reporting methods. They must be mailed or sent by the specified due date.

ACH CREDIT DETAIL

Record Formats

The following information describes the data contained in the Entry Detail Record. For complete information on NACHA formats, specifications and definitions, refer to the NACHA Rule Book.

You may obtain a copy of the rulebook from your financial institution or Upper-Midwest Automated Clearing House Association (UMACHA), 5701 Shingle Creek Parkway Suite 450, Brooklyn Center, MN 55430 or 1-800-348-3692. There may be a charge for this book.

CCD Entry Detail Record Format

Use this format to create the transaction to pay the tax.

Field	Position	Size	Contents	Date Element Name
1	1-1	1	6	Record Type Code. Insert the number 6
2	2-3	2	22 or 24	Transaction Code. Enter the number 22. (24 for a pre-note.)
3	4-11	8	Numeric	Job Service North Dakota's Bank Routing/Transit Number.
4	12-12	1	Numeric	JSND's Bank Routing/Transit Number Check Digit.
5	13-29	17	Alphanumeric	JSND's Bank Account Number (with trailing blanks).
6	30-39	10	\$\$\$\$\$\$\$ cc	Total Payment Amount. No decimal. Insert leading zeros.
7	40-54	15	Numeric	Your North Dakota UI Tax Account Number. Insert leading zeros.
8	55-76	22	Alphanumeric	Your business name as provided to the North Dakota UI program
9	77-78	2	Not used	Discretionary Data.
10	79-79	1	0	Addenda Record Indicator. Insert a zero.
11	80-94	15	Numeric	ACH Trace Number.

Field 1—Record Type Code. This entry will always be 6.

Field 2—Transaction Code. This field will be 22 in all cases unless you are sending a pre-note when it will be 24. An entry of 22 indicates the transaction is a credit and the payment is going to a checking account. An entry of 24 indicates that the transaction is a pre-note (test.)

Field 3/4—Receiving Bank Routing/Transit Number and Check Digit. This nine-digit number identifies Job Service North Dakota's bank. The first eight digits go in Field 3. The ninth digit goes in Field 4 (Transit Number Check Digit). We will give you the receiving bank routing/transit number in the confirmation notice for ACH credit once your EFT application has been received.

Field 5—Receiving Bank Account Number. This entry identifies the bank where the EFT payments will be sent. It will be given to you in the confirmation notice.

Field 6—Amount. This entry is the amount to be posted to the recipient's account. It must be right justified and zero filled. **Do not insert** a decimal point. The last two characters are always cents.

Field 7—UI Tax Account Number. A numeric field that identifies the taxpayer sending the payment. This number is your North Dakota Unemployment Insurance account number. Its use is essential for your payment to be properly credited. The tax account number must be right justified and zero filled.

Field 8—Employer Name. Enter your business name in this field. Use the name you have designated to Job Service North Dakota for Unemployment Insurance purposes.

Field 9—Discretionary Data. This two-character field is not used by Job Service North Dakota.

Field 10—Addenda Record Indicator. Always insert a zero, as there will not be an addendum record with this transaction.

Field 11—Trace Number. A number added to the record by the originating/sending bank to trace the transaction through the system. This number is especially important in case of an error.

GLOSSARY OF TERMS

ACH. "Automated Clearing House" (ACH) means any entity that operates as a clearing house for the electronic clearing of debits and credits between financial institutions pursuant to an agreement with an association that is a member of the National Automated Clearing House Association.

ACH Credit. The "ACH Credit" is a method by which money is transferred electronically through the Automated Clearing House (ACH) network. An ACH credit transaction is one in which you, the taxpayer, through your bank, originate an entry to credit (deposit) funds in the designated bank account and debit (withdraw) funds from your own account for the amount of the tax payment.

CCD. "Cash Concentration or Disbursement" is a standard National Automated Clearing House Association data format used to make ACH credit/debit transactions.

Deposit Date. See "Settlement Date."

EFT. "Electronic Funds Transfer" is a term that identifies any system used to transfer payments or funds electronically. EFT refers to any transfer of funds, other than a transaction originated by check, draft or similar paper instrument, that is initiated through an electronic terminal, telecommunications instrument, computer or magnetic tape, to order, instruct or authorize a financial institution to debit or credit an account.

FRB. "Federal Reserve Bank" is the central banking system of the United States, consisting of 12 regional reserve banks and member depository institutions that are subject to Reserve requirements.

NACHA. The "National Automated Clearing House Association" is the organization that establishes the standards, rules and procedures governing the ACH Network.

Payment date. See "Settlement Date."

Pre-note Test. A pre-notification (pre-note) test is a zero-dollar entry sent through the ACH network to verify banking information. A pre-note test must be done at least 10 calendar days before the first live EFT payment.

Service Provider. An entity that performs accounting services, prepares tax documents, performs similar services, and remits tax payments on behalf of its clients. Examples of service providers are payroll processors such as; accountants; third party withholders such as banks; and bill-paying services.

Settlement Date. The date an electronic payment is deposited in a bank account for deposit of electronic tax payments. The dates also include the date a pre-note transaction occurs.

UI Tax Account Number. The account number assigned by Job Service North Dakota to an employer's Unemployment Insurance tax account.



**ELECTRONIC FUNDS TRANSFER (ACH CREDIT)
UNEMPLOYMENT INSURANCE**
JSND/CENTRALIZED SERVICES
SFN 52490 (R. 11-03)

JOB SERVICE NORTH DAKOTA
CS/BUSINESS SERVICES
PO BOX 5507 BISMARCK ND 58506-5507
701-328-2814 OR 800-472-2952
TTY 800-366-6888 (Toll Free in ND) FAX: 701-328-1882

Check our Web Page at
jobsnd.com

- Please type or print clearly in ink.
- Return your completed application to the address listed below.

Business Name		North Dakota Unemployment Insurance Account Number	
Address			
City		State	ZIP Code
Contact Person			Telephone Number
E-mail Address			Fax Number

I (we) contacted my (our) bank and confirmed that the bank can initiate Automated Clearing House transactions that meet Job Service North Dakota requirements. For verification, Job Service may contact:

Name of Bank	Bank Contact Person	Telephone Number ()
--------------	---------------------	-------------------------

I (we) request that Job Service North Dakota grant authority to the above named business to initiate Automated Clearing House credit transactions to the bank account of the Unemployment Insurance Program. I (we) understand transactions must be in the National Automated Clearing House Association (NACHA) CCD format and may only be initiated for payment of Unemployment Insurance contributions. I (we) understand that the above named business is responsible for paying the cost of initiating such transactions that may be charged by the business' financial institution. I (we) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of U.S. law.

Authorized Signature X	Title	Date
---------------------------	-------	------

Send your completed application to:

**EFT Coordinator
Job Service North Dakota
CS/Business Services
PO Box 5507
Bismarck, ND 58506-5507**

KEEP A COPY OF THIS AGREEMENT FOR YOUR RECORDS



**Centralized Services
JSND 4038 (R 11-03)**

**Job Service is an equal opportunity employer/program provider.
Auxiliary aids and services are available upon request to individuals with disabilities.**