

## EDI/ACH = Electronic Payments

### Frequently Asked Questions (FAQ's)

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#### What is EDI?

Electronic Data Interchange (EDI) is the electronic exchange of business data from one computer to another in a standard machine-processable format.

#### What is FEDI?

Financial Electronic Data Interchange (FEDI) is the electronic exchange of payment instructions and remittance information using a standard format facilitated by financial institutions.

#### What is ACH?

The Automated Clearing House (ACH) is a funds transfer system governed by NACHA rules, which provides for the interbank clearing of electronic entries for financial institutions.

#### What is NACHA?

The National Automated Clearing House Association (NACHA) develops and sets standards for specific types of electronic fund transfers.

#### What are the benefits of electronic payments?

- Increased security and reduction of errors – no more lost/stolen checks.
- Increased cash flow for vendors.
- Increased timing and certainty of payment.
- Vendors have immediate use of funds (financial institutions do not place a hold on electronically transferred funds)
- Controls the timing of payments (no mail float and check clearance)

#### How reliable and safe are electronic payments?

The following are now non-issues when receiving your payments electronically:

- Forged checks
- Lost-in-transit checks
- Stolen checks

#### How does the electronic payment (EDI) process work?

#### **Initial Setup:**

The vendor completes the ACH Bank Application form, a signed document authorizing Tanana Chiefs Conference (TCC) to make electronic payments directly to the vendor's bank account. It includes information required for the payment process, such as bank account and routing number, contact names, e-mail address to receive the remit advice at, phone numbers etc. It also authorizes TCC to initiate debit entries and adjustments for credit entries made in error to the vendor's account.

The vendor submits the completed application to TCC Purchasing Department by e-mail [purchasing@tananachiefs.org](mailto:purchasing@tananachiefs.org) or by fax (907)459-3854.

**Transmitting Payment:**

Electronic payments are transmitted to TCC's banking institution, (i.e. Key Bank) by Noon Wednesday, excluding weekends and holidays.

When Key Bank receives the electronic payment information for TCC, they convert the information to ACH entries. These entries are then transmitted electronically to an ACH operator, a central clearing facility for ACH entries. The ACH operator processes the entries received from Key Bank and transmits them to the vendor's financial institution.

You should receive a remit advice via e-mail on Wednesday; please keep in mind it takes 2-3 business days to receive the actual payment in your account.

**Receiving Payment:**

Upon receipt of the ACH entries, the vendor's bank posts payment information to the vendor's account. Payment is deposited in the vendor's account on the first business day excluding weekends after the entries have been transmitted to the ACH operator. For example, if the payment is processed on Wednesday, the payment is transmitted on Thursday and then deposited to the vendor's financial institution on Friday.

**When are electronic payments not processed and deposited?**

Payments are not processed on holidays, or weekends. Transmissions on deposits do not occur on holidays and weekends.

**Holidays:**

Payments processed the business day preceding a holiday are transmitted the first business day following the holiday and are deposited the first business day after transmittal. For a calendar of TCC holidays, [CALENDAR](#)

Columbus Day, the second Monday in October is observed as a holiday by the Federal Reserve, but not by other banking institutions or the State of Alaska. Electronic payments originally scheduled for deposit on Columbus Day (Monday) will deposit on the first business day following the holiday (Tuesday).

**Weekends:**

Transmission of electronic payments and deposit of funds does not occur on weekends. Electronic payment transactions processed on Friday are transmitted on the first business day following the weekend and are deposited on the first business day after transmittal.

**What do I need to do with the ACH banking application?**

If you would like to begin receiving payments electronically; fill out the ACH Banking Application and mail, e-mail or fax the form to:

Tanana Chiefs Conference  
Attn: Purchasing  
122 First Ave. Suite 600  
Fairbanks, AK. 99701

e-mail to [purchasing@tananachiefs.org](mailto:purchasing@tananachiefs.org) or fax to (907)459-3854.

When will I start receiving my payments electronically?

After your ACH Banking application is processed. Please allow us 3-5 days to process your application and the next invoices processed after that will be paid via ACH.

What if my bank accounts information changes?

If your bank account information changes and you want your electronic payments to be deposited to the new account, fill out a new ACH form, select "Change" in the **Banking Information** section, sign the form and mail, fax or e-mail it to us.

You may mail the ACH form to:

Tanana Chiefs Conference  
122 First Ave. Suite 600  
Fairbanks, AK. 99701

E-mail to [purchasing@tananachiefs.org](mailto:purchasing@tananachiefs.org) or fax to (907)459-3854.

If you wish to stop receiving payments electronically from TCC again fill out a new ACH form and select "delete" in the **Banking Information** section, sign the form and mail, fax or e-mail it to us.

Where and how do I send the ACH form?

You may mail the ACH Form to:

Tanana Chiefs Conference  
122 First Ave. Suite 600  
Fairbanks, AK. 99701

Or email to [purchasing@tananachiefs.org](mailto:purchasing@tananachiefs.org) or fax to (907)459-3854

What if I receive an electronic payment in error?

If you have received a payment in error, please call (907)452-8251 ext. 3268. Please provide the amount of the payment and the deposit date.

Where do I find the ABA Number/Routing Transit Number that is required to complete the Electronic Payment Agreement form?

For a checking account, you can find this number on the bottom left of your check as a 9-digit number directly to the left of your account number.