# **Share Draft Auto Returns**

The Share Draft Auto Returns Optional Software package allows a credit union to selectively transmit **NSF Draft Returns** to a supported share draft processor.

First, Datamatic must enable the license for Draft Return software.

Next change the options in the Overdraft Setup Screen. This can be found under [Main Ribbon > System Settings > Overdraft Setup].

The system displays.

| Datamatic VIEW   |   | ×           |
|--|---|-------------|
| Overdraft Setup  |   | 4           |
| Change Quit  |   | draft Setup |
|  | Payment Method(Notices Only)Fee Code(Charge Fees)Fee Type(Nothing Held)Available Method(Nothing Held)Extra Amount(Draft Suffixes Only)Print Transfer NoticesCourtesy Pay SuffixesNSF TransactionPost Rtn and ChgNSF Charge IS |             |
|  | Drafts<br>ATM Transactions<br>ACH/FRB   |             |
| Share Transfe<br>Loan Transfe<br>Rejected Trans<br>Loan Terms: | r (Exact Amount) Share Amount . Share Trans<br>r (Exact Amount) Loan Amount . Loan Trans<br>saction Fees: Exceeds Reg D . Below Min T   | fer Fee 🛛 . |
| First Payment<br>Loan Officer<br>Interviewer                   |   | ount .      |



The **"Post NSF Returns & Charges"** option on the **Overdraft Setup** screen needs to be set to **"S"** for Select. This will allow the credit union to utilize this software.

The **"Rejected Transaction Fees"** works together with two new Return Reasons added to the Share Draft Auto Returns selection screen. These two new options are:

K = Reg-D checks (applies to both share drafts and ACH)

M = Less than Min Amount (only applies to share drafts)

Summary of steps needed for processing draft returns:

- Upload Draft File, Balance then Update Draft File.
- Select Drafts to Return screen.
- NSF Return Maintenance, if needed.
- Print Return Listing.
- Update Draft Returns.
- Create Draft Return File and print the NSF notices.
- Send the return file to draft processor according to their instructions.

Details for these steps from Select Drafts to Return are covered in the remaining pages of this document.

The Share Draft Auto Return options are found under [Main Ribbon > Operations > Drafts]

| Operations - Drafts      |  |
|--------------------------|--|
| DESCRIPTION              |  |
| 📕 Upload File            |  |
| Balance Draft File       |  |
| Update Drafts            |  |
| Select Drafts to Return  |  |
| Create Draft Return File |  |
| Update Draft Returns     |  |
| Print Overdraft Notices  |  |
|                          |  |
|                          |  |
| -                        |  |

Figure 2

Select options in the following order -

**Select Drafts to Return** – This option displays the <u>NSF Return Selection screen</u>. This screen lists all drafts as they appear on the <u>Share Draft NSF Report</u>. The credit union may select each draft they wish to return via transmission to their share draft processor. This is done by marking each one with one of the following options.

- Y "Yes" for Return and Fee
- N "No" for Pay and No Fee
- F Fee Only (either leaves suffix negative or must be manually paid/returned for rejects)
- C Courtesy Pay (enter fee and don't return the item)

For Share Draft Auto Return users who offer courtesy pay, the system will change the reason (see Figure 5) for items not covered by overdraft protection to "CPAY" for members coded for courtesy pay on the Member Information window. The "Paid" or "Returned" wording on the NSF notice is replaced with "CPAY" for these notices. This will print the correct wording on the notice generated and print the fee amount for the courtesy pay, if entered on the selection screen. If the courtesy pay maximum amount has been reached, the credit union will decide whether or not to pay or return the item(s).

| Datamatic VIEW |             |            |        |             |           | ×                    |
|----------------|-------------|------------|--------|-------------|-----------|----------------------|
| Select Drafts  | to Return   |            |        |             |           | 4                    |
| Select M       | laintenance | Print Quit |        | NSF         | Return Se | election             |
| Ba             | ank ID 🗾    | Account    |        | Draft       | Seq 📃     |                      |
| RTN? Fee       | Reason      | Account    | Draft# | Amount Name |           | Current<br>Available |
|                |             |            |        |             |           |                      |
|                |             |            |        |             |           |                      |
|                |             |            |        |             |           |                      |
|                |             |            |        |             |           |                      |
|                |             |            |        |             |           |                      |
|                |             |            |        |             |           |                      |
|                |             |            |        |             |           |                      |

Select Select Drafts to Return. The system displays.

Figure 3

Press enter (with "Select" highlighted) and the system displays.

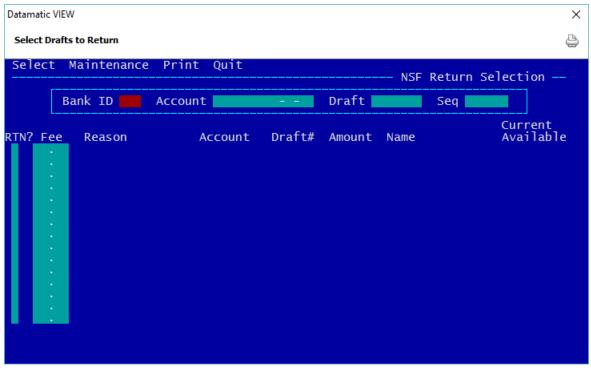


Figure 4

Press enter again and the system displays.

| atamatic VIEW   |  |   |  |   |   | >   |
|---|--|---|--|---|---|---|
| Select Drafts   | to Return  |   |  |   |   | 8   |
| Select M  | laintenance  | e Print Q   | uit  |   | NSF Return  | Selection   |
| Ba  | ank ID CMB   | Account   | 32786-6-70   | Draft   | 1161 Seq  | 15  |
| TN? Fee<br>Y 30.00<br>Y 30.00<br>Y 30.00<br>Y 30.00<br>F 30.00<br>F 30.00<br>Y .<br>Y .<br>Y .<br>Y .<br>Y .<br>Y .<br>Y .<br>Y .<br>Y .<br>Y . | Reason<br>NSF<br>NSF<br>Stop Pmt<br>CPAY<br>CPAY<br>CPAY<br>Closed<br>NSF<br>NSF<br>Bad Acct<br>CPAY<br>CPAY<br>Stop Pmt | 62<br>62<br>62<br>62<br>63<br>63<br>63<br>75<br>660<br>1172<br>2224<br>2962<br>2962 | ount Draft#   4-7-70 599   4-7-70 600   6-2-70 623   6-2-70 624   7-0-70 574   0-4-70 1098   0-4-70 1099   2-6-70 1162   0-1-70 1185   7-5-70 659   4-8-74110164 2-8-70   2-8-70 771   6-6-70 1161 | 312.38<br>146.00<br>350.00<br>200.00<br>300.00<br>275.00<br>150.00<br>128.74<br>285.17<br>800.00<br>168.87<br>74.00<br>107.34 | Name<br>KIMBERLY M AN<br>OSCAR P SINGI<br>OSCAR P SINGI<br>CAROL L BROWN<br>GRACE E ZIMME<br>MARSHA A BARN<br>HUNTER R BROW<br>Rocky Road CO<br>TRAN LE NGUYE<br>AMY M MEMBER | NDR 362.10-<br>LET 424.50-<br>LET 424.50-<br>N 1888.51<br>ER 723.74-<br>ER 723.74-<br>NES 0.00<br>0.00<br>0.00<br>NNI 525.47-<br>Dns 0.00<br>EN 275.19- |

\*\*Note: After making selections and processing the screen, press Esc then either select "Quit" or press Esc again. This will save the changes made. Do <u>not</u> use the X in upper right corner to close the screen.

**\*\*Note:** The **Current Available** column is for share suffixes only. Loans suffixes (LOC) will be blank.

Figure 5

The items on this screen list all drafts as they appear on the Share Draft NSF Report. This screen allows the credit union to select a different return option, as well as, change the fee amount, if desired.

Return selections: Y = "Yes" for Return and Fee N = "No" for Pay and No Fee F = Fee Only (either leaves suffix negative or must be manually paid/returned for rejects) C = Courtesy Pay (enter fee and don't return the item)

When the system sees that a member has courtesy pay and the negative amount has not exceeded the maximum, the **"RTN?"** Column on the NSF Return Selection screen will display an "F" and the **"Reason"** column will display **"CPAY"**. If the credit union changes a return to CPAY, which is done by entering a "C" in the **"RTN?"** column and processing the screen, this changes the "C" in the **"RTN?"** Column to an "F" and changes the **"Reason"** column to **"CPAY"**. This also changes the Action on the NSF notice to **"CPAY"**.

The "Fee" amount will default from the Overdraft Setup screen. However, this amount can be changed, if desired, or the amount can be deleted out so that no fee is assessed.

The **Sequence Number** (Seq) only needs to be entered to display the items from a specific sequence number and beyond. Most of the time, the sequence number will <u>not</u> need to be entered. The maximum number of items that can be displayed at one time is 15.

Share Draft Auto Returns

**\*\*Note:** To display only one item on this screen, enter the Bank ID, Account and Draft then press enter.

**Bank ID:** This can be found on the Share Draft NSF Report or the Draft Transactions Listing. Use the last three digits of the Bank ID.

Account: Account Base, Check Digit and Suffix.

Draft: Draft Number.

### **NSF Return Maintenance**

To change the information (MICR Account Number, Trace Number, Return Reason, Transmission Date or Draft Amount) on a specific item, use the arrow keys to highlight **Maintenance (in the upper left corner of the screen - see Figure 5)** and press enter. This information is sent to the share draft return processor. The return reason displayed here is also used on the overdraft notices that can be printed and mailed to the member.

The system displays.

| Datamatic VIEW  | Х                      |
|---|------------------------|
| Select Drafts to Return   | 9                      |
| New Change Remove Select Quit   | NSF Return Maintenance |
| Bank ID Account   | Draft                  |
| Name<br>MICR Account Number<br>Trace Number<br>Return Reason<br>Transmission Date<br>Draft Amount |                        |

Figure 6

Select "New" to add a new item to be returned to the NSF Return Selection screen.

Select "Change" to make a change to an item already on the NSF Return Selection screen.

Select "Remove" to remove an item from the NSF Return Selection screen.

Select "Select" to return to the NSF Return Selection screen.

**Bank ID:** This can be found on the Share Draft NSF Report or the Draft Transactions Listing. Use the three alpha characters.

Account: Account Base, Check Digit and Suffix.

Draft: Draft Number.

Share Draft Auto Returns

## **Description of other fields:**

Name: This comes from the member's Name Information window.

**MICR Account Number:** This is from the Draft Transaction Listing and is also displayed on the Share Draft NSF Report.

**Trace Number:** This is from the Draft Transaction Listing and is also displayed on the Share Draft NSF Report.

**Return Reason:** This is the reason for the draft being returned. The valid options are:

- Blank
- 0 = NSF Do not redeposit
- 1 = Unauthorized signature
- 2 = NSF 3 = Member Stop Pay 4 = Closed account 5 = Other 6 = Invalid account 8 = Un-collected funds
- 8 = Un-collected funds S = Restraining order W = Garnished U = Reg-D tran count C = Courtesy Pay K = Reg-D Checks M = Less than Min Amount\*

Transmission Date: This is the date of the draft file.

**Draft Amount:** This is the amount of the draft.

\*The Minimum Amount for specific suffixes is set under [Main Ribbon > System Settings > Transaction Minimum].

The information in these fields can be changed, if necessary, except for the Name field.

### **Print Return Listing**

After selecting which items will be returned/paid, as well as, which items will be assessed a fee and processing the screen, a report can be generated using the **Print** selection at the top of the screen. This report displays the items that were marked to be returned. When finished, the system displays.

| atamatic VIEV | v           |                 |      |          |        |      |        |               | ×            |
|---------------|-------------|-----------------|------|----------|--------|------|--------|---------------|--------------|
| Select Drafts | s to Return |                 |      |          |        |      |        |               | ٥            |
| Select        | Maintenance | <u>Print</u> Qu | it   |          |        | NSF  | Return | Selectio      | on           |
| В             | ank ID CMB  | Account         | 327  | 786-6-70 | Draft  | 1161 | Seq    | 15            |              |
| TN? Fee       | Reason      | Acco            | ount | Draft#   | Amount | Name |        | Curre<br>Avai | ent<br>lable |
|               |             |                 |      |          |        |      |        |               |              |
|               |             |                 |      |          |        |      |        |               |              |
|               |             |                 |      |          |        |      |        |               |              |
|               |             |                 |      |          |        |      |        |               |              |
|               |             |                 |      |          |        |      |        |               |              |
| Print Co      | mpleted     |                 |      |          |        |      |        |               |              |

Figure 7

Example of Draft return report in Backup. (Draft Return List)

| 👌 🔚   Search        | <b> </b>  | Go       |        |                |            |         |    |
|---------------------|-----------|----------|--------|----------------|------------|---------|----|
| 5/11/2016           |           |          | Return | Transactions   | I          | PAGE    | 1  |
| apport Credit Union | (1)       |          |        |                | REPORT NO. | CR240-0 | )1 |
| Account Name        |           | Amount   | Check# | Reason         |            |         |    |
| 624-7-70 KIMBERLY M | ANDREWS   | 312.38   | 599    | NSF            |            |         |    |
| 624-7-70 KIMBERLY M | ANDREWS   | 146.00   | 600    | NSF            |            |         |    |
| 626-2-70 OSCAR P    | SINGLETON | 350.00   | 623    | NSF            |            |         |    |
| 626-2-70 OSCAR P    | SINGLETON | 400.00   | 624    | NSF            |            |         |    |
| 627-0-70 CAROL L    | BROWN     | 200.00   | 574    | Stop Payment   |            |         |    |
| 752-6-70 MARSHA A   | BARNES    | 150.00   | 1162   | Account Closed |            |         |    |
| 32786-6-70 AMY M    | MEMBER    | 162.23   | 1161   | Stop Payment   |            |         |    |
| 53317-4-70 NANCY L  | NORTON    | 625.00   | 2559   | NSF            |            |         |    |
| 53317-4-70 NANCY L  | NORTON    | 494.71   | 2560   | NSF            |            |         |    |
| Total Return        | Count     | 9        |        |                |            |         |    |
| Total Return        | Amount    | 2,840.32 |        |                |            |         |    |
|                     |           |          |        |                |            |         |    |
|                     |           |          |        |                |            |         |    |
|                     |           |          |        |                |            |         |    |



Share Draft Auto Returns

After making all the changes for the draft items to be returned or paid and if a fee is to be assessed, the next step is to **Update Draft Returns**.

**Update Draft Returns** – This option credits the share draft account(s) and assesses any **NSF** charges. Those share drafts **not** selected for return will remain with either a negative balance with no fees or a negative balance with fees charged. This will depend on the option selected in the return process.

**IMPORTANT:** Make sure that the **Select Drafts to Return** screen is closed prior to making this selection. Use the **Quit** option at the top of the screen.

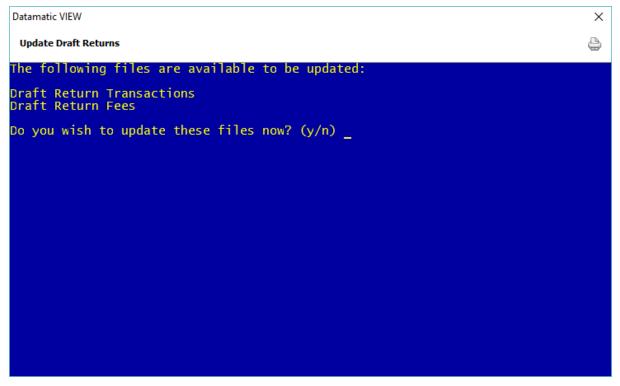


Figure 9

Enter a "y" for yes to update the Draft returns. Otherwise, enter an "n" for no.

**\*\*Note:** This process will change the overdraft notices to reflect possible changes in the share draft status.

The next step is to **print the overdraft notices**. This is done under [Main Ribbon > Operations > Notices > Print Overdraft Notices]. The overdraft notices **must** be printed next (<u>before</u> the Create Draft Return File job is selected and the drafts are returned to the draft processor according to their instructions) or the changes made to the return file are erased and the overdraft notices will be incorrect.

**IMPORTANT:** After the "Update Draft Returns" has been chosen, the "Select Drafts to Return" screen is no longer available for selections to be made.

Share Draft Auto Returns

Share Draft Auto Returns

**Create Draft Return File** – This option creates a file of the selected NSF share draft return items waiting to be sent via FTP the share draft return processor. The file will be named RETDxxxx and be placed in [Main Ribbon > Reports > Downloads]. (xxxx = the four-digit month and day)

The last step is to send the file of the draft return items to the draft processor according to their instructions.

For credit unions offering courtesy pay to their members, as far as wording on any notices or statements mailed or that can be accessed by members, the words CPay will be used rather than Courtesy Pay. This is due to the wording "Courtesy Pay" being a registered trademark by a specific company.

# Reference

Draft Accounts - refer to Member Services Manual

**Overdraft Setup -** refer to System Settings Manual