

Remote Deposit Capture (RDC)

Training Video Transcript

Welcome to ECCU's Remote Deposit Capture (RDC) overview. We will be going over the product resources and overview, the deposit timeframes, your deposit limits, check storage recommendations and safeguards, scanner maintenance, adjustment notices, understanding a check, processing your deposit, and a demonstration so you can see how the system looks.

The product resources that are available to you can be found in the help menu when you log into online banking. You are going to select the ministry banking option and under that option you will see a link to all user guides and FAQ's. The Remote Deposit user guide is one of the guides listed; you may also call the ECCU support line Mon-Fri 8:30 – 4:30 PST.

RDC is a software that is going to allow you to capture checks and create an electronic deposit file which you will be securely transmitting to ECCU for processing. You can include any check that is drawn on a US financial institution. That includes your personal checks and business checks, cashier's checks and traveler's checks. You may also scan money orders, but I would like to caution you to really take a look at the image that comes up on your monitor when you scan a money order. A lot of money orders have a very detailed image in the background which can skew the "pay to the order of" field or your dollar amount. If any of those relevant fields are not visible or hard to read, you are not going to want to include that money order in your deposit. Also, foreign items may not be included with your RDC items. Foreign items are, for example, a check that is drawn on a Canadian bank. Foreign items would need to be mailed to ECCU for processing.

THE RDC OVERVIEW

We do recommend that you make a tape total of your deposits. The system does require that you enter your deposit total and that is one reason for the adding machine tape. Once you have your tape total, you will place your checks in the scanner. When you are finished scanning your checks and complete your deposit, that file comes to ECCU. We will complete a quick review of the items you have submitted, and we may potentially reject an item back to you. The online banking administrators have been set up to receive the e-mail when ECCU rejects any items that have been submitted in your deposit. If you would like someone else added to that e-mail recipient list, the online banking administrator would need to notify ECCU with the name of the person and their e-mail address.

After ECCU completes our deposit review, the file does go to the paying bank. The paying bank may potentially reject a check because the account does not have sufficient funds, or the account may have uncollected funds. If that is the case, the paying bank will create a substitute check. That substitute check will be sent to ECCU. ECCU will in turn adjust your account, and mail that adjustment notice along with the substitute check back to your ministry. The substitute checks may not be resubmitted through RDC. If you do receive a deposited item return, that would need to be taken to one of the credit unions in the shared branch network or mailed to ECCU for redepositing.

ECCU recommends that you store your checks in a secure location, and we also recommend that you handle the checks in dual control. We recommend dual control because the checks do contain sensitive information, account numbers and routing numbers, and that is all someone needs to attempt fraud. When you are handling the checks in dual control, you are less likely to be tempted to write down

account information. Once your record retention period has expired, we recommend that you destroy your checks by shredding.

DEPOSIT TIMEFRAMES

Your deposits may be submitted 24/7. Any deposit that you submit on a banking day by 4:30pm PST will receive same day credit. You will see the credit post to your account between 9 and 10pm. Any deposits that you complete by that 4:30 cutoff, if ECCU were to reject an item you would receive an e-mail notification by 5:30pm. All the reports and check images will be maintained in the system for 15 months. After 15 months, that information will be purged. So if you are going to be downloading your check images, please keep that 15-month timeframe in mind.

DEPOSIT LIMITS

All online banking administrators received an e-mail with your daily deposit limit. If you are in the middle of scanning checks and you find that you are going to be exceeding that daily deposit limit, the online banking administrator can contact ECCU and request a temporary limit increase. The phone number to initiate that call is listed on the PowerPoint. If you find that you are going to be exceeding your daily deposit limit on a regular basis, that is a trigger for you to submit a request for a permanent increase. The permanent increase request cannot be submitted over the phone. It does need to be on your ministry letterhead signed by the online banking administrator or one of your master signers. The fax number to submit your permanent request increase is included in the PowerPoint.

Each deposit can have up to 299 checks. The scanners cannot hold 299 checks, so for your larger deposits, we recommend that you group your checks into bundles of 30 and place them through the scanner 30 at a time.

CHECK STORAGE AND SAFEGUARDS

We do recommend that you store your checks for a minimum of 30 days. You may store them longer than that, but we do recommend a minimum of 30 days, and that you handle your checks with dual controls. If you are going to be downloading your check images, we recommend that you restrict the network location where you will be saving that information. Again, the check images are sensitive information and only need-to-know people should have access to that file. When your record retention period has expired, the best way to destroy your checks is by shredding. And just a reminder, once a check has been successfully submitted through the RDC system, you cannot submit it a second time if it is returned to you as a deposited item return.

SCANNER MAINTENANCE RECOMMENDATIONS

You do want to maintain the life of your scanner, have fewer rejected items, and keep your scanning speed optimal. Each of you should have received an ECCU dust cover with your scanner. When you are not using your scanner, we recommend you cover it with the dust cover, so dust does not accumulate in the scanner. Also, when you are done scanning your checks for the day, we recommend you spray out the scanner with air spray to clear out all the paper particles that may have accumulated in your scanner. You also should have received some cleaning cards with your scanner. ECCU does supply you with the initial supply of the cleaning cards, but once those are gone, you will need to purchase your own cleaning cards. They may be purchased at any office supply store.

The PowerPoint presentation does recommend that you clean your scanner on a weekly basis. I would recommend once a month; weekly is quite a bit. So at least once a month clean out your scanner with one of the cards. If you see your image quality starting to deteriorate on your monitor as you are scanning checks, or if your scanner is starting to jam often, that is a good indicator that you need to clean it with one of the cards. If you ever receive a message that your scanner is not functioning properly, you can contact ECCU and we will troubleshoot that with you.

ADJUSTMENT NOTICES

Again, all online banking administrators have been set up to receive the notification e-mails that an adjustment has taken place. At ECCU, when we do our deposit review of your items, we may reject a check because: the image is incomplete/unclear, the legal amount is not captured by the scanner, the check has been flagged as a duplicate and the check was submitted in a previous deposit, if the check is not signed, or if the "payable to" field does not match what we have on file for your ministry. You should not submit any third-party checks through the RDC. A sample adjustment notice is included in the PowerPoint here. Your subject line will say "Adjustment Notice", the content of the email will have your ministry name. Each deposit is assigned a deposit number that will be included along with the date and amount of your deposit. The amount of the check, the debit adjustment, and each check is assigned an item number, so that is included along with the reason why ECCU rejected your check.

The next slide shows the different elements of a check. The courtesy amount and the legal amount are of particular importance. If your courtesy amount and legal amount do not match, you do need to scan the legal amount, which would be the handwritten amount. The scanner does also pick up the courtesy amount, so if your deposit is out of balance, that may potentially be a reason.

PREPARING YOUR DEPOSIT

As you're preparing your deposit, again we do recommend you make your adding machine tape total. The system does require that you enter a deposit total, so your adding machine tape total would help you with that requirement. As you're flipping through your checks, make sure that: the "Pay to the Order Of" field is filled in, your legal amounts and courtesy amounts do match (again, if they don't then you do want to use the legal amount), and the check has been signed by the payer. Endorsement is recommended but not required. Those of you with the larger scanners – the TS 240 – those are inkjet scanners, and you can tell the system to spray your ministry name on the back of the check and that can be considered your endorsement. Those of you with the smaller scanners – the CX 30 – you will need to sue your ECCU endorsement stamp if you would like to endorse the back of your checks.

Once you have your checks totaled, you will place your checks in the scanner and make sure that they are aligned. Those of you with the larger scanner, you will be placing your checks in the left side of the scanner and they will feed through to the right side. Those if you with the smaller scanner, you will be feeding your checks through the scanner one at a time.

DEPOSIT BALANCING

Once your deposit has been scanned, some of your items may be flagged for further review. The system has some predetermined scores, and if any of your items do not meet those predetermined scores, they will be flagged for you to review and tell the system if they are to be included in your deposit or if they should be rejected. Some of the scores include the courtesy amount recognition score; if your check

does not meet that score, the system is going to require that you review the amount and either tell the system it is ok, change the dollar amount, or reject the item. It is the same with the image quality score; if your check does not meet that predetermined score, you will need to review it, confirm that everything is legible, and tell the system that it is ok for deposit. All misreads will be flagged for you to review and correct. If the system thinks it is a duplicate check, there will be a link that you can click on which will open an image of the previously submitted check and the current check. You can compare the two, and tell the system if a check is not a duplicate and should be in your deposit, or if it is a duplicate and should be rejected. All the flagged items do need to be reviewed and corrected before you will be able to complete your deposit.

If all your scanned items have been reviewed and corrected but your two deposit totals are out of balance (again, the system is maintaining a deposit total, and the control balance that you entered which is your tape total – those two balances must equal each other) this is when your reconciliation practices will come into play. You will need to review each check item to confirm if the scanner picked up the correct dollar amount, and perhaps check your tape total for any keying errors made when creating adding machine tape.

ONLINE BANKING SETUP/DEPOSIT DEMONSTRATION

When you first log into Online Banking, this is the screen that you will see. All users, when you first log in, will need to go to the user preferences tab. There is a Deposit Confirmation Email Address that should be entered. Whatever e-mail you place in this field, that person will receive an e-mail confirmation whenever you have completed a deposit in the system. The system only allows you to hold one e-mail address, so if there are multiple people at your ministry that you would like to receive this deposit confirmation notification, you will need to create a group e-mail address.

Those of you with the larger scanners (the TS 240), down below where it says print text configuration, this is where you can tell the system what you would like sprayed on the back of your check. You do want to check “Customer Name” so your ministry name is sprayed on the back of the check. If you would like to use your ECCU account number, you will place a check mark in the “User Defined Text” box, and when the field opens to the right, you may place your ECCU account number in that box.

Once you have your information entered, you are going to select the “Save All User Preference Changes” box. You will get a message that your changes have been successfully completed. Then close the box and go back to your deposit screen.

You are going to place a check in the square to the left of your account that you are depositing into. If you have more than one account, you will have all of your account names listed here. The control balance will populate for you and that is where you are going to put your tape total. I am going to put an incorrect amount in the box so I can show you how to change the control balance as part of this demonstration.

Those of you with the larger scanner, you’re going to be placing your checks on the left side of the scanner. Once you have your checks placed correctly in the scanner, the light will change from green to orange. Those of you with the smaller scanners, you’re going to be feeding your checks through the scanner one at a time. You’re going to place your checks in the scanner with the face of the check pointing to the right. Each of you, no matter which scanner you have, you have a little check image on

the scanner, and that is the side of the scanner that you want the face of your checks pointing. Now those of you that are going to be feeding your checks through one at a time, the light will still turn on your scanner when you select the scan icon at the bottom. It will grab your check, then eject it. You will then place your next check. Now there is a timeout feature with the single-feeder scanner, so if you miss that timeout, you will need to select the scan icon again to get your deposit running.

Now I am going to select the scan icon. (Scanning begins.) Now as your checks are going through the feeder, you notice on the right side of the screen we have the deposit summary. The deposit summary will tell you the account number your deposit will post, the total amount is the deposit amount the scanner is maintaining, the control balance is your tape total that you entered. Now we do have a difference because I entered an incorrect tape total when I entered my control balance. It will tell you how many items you have in your deposit, it will tell you how many items need repair, and how many items are not yet viewable. Until your two totals are in balance, you will not see the "Submit Deposit" button populate. I unfortunately do not have any items that have been flagged for repair, but if I did, down here under "Scanned Items" where the status has a green "OK", you would have a red circle with a red exclamation point and there would be a message in our message column.

You have a couple different ways that you can maneuver through your deposit. You can select each check by clicking on the line item. Or you have icons to the right here; you have "Previous Items", "Next Item." "Next Item to Repair" is not highlighted because I don't have any flagged items. If I did, that would be populated, and I could select that, and the system would bring up my flagged items.

Now each check, immediately under the check, you have your item details. And these boxes are where you're going to make your corrections if any of your items are flagged for review. The "Aux On-Us" field is for your longer, business-sized checks. The micr line on your business-size checks typically have the check number on the far left, then the routing number, then the account number. The "Aux On-Us" field would be that check number for business-size checks. Now whatever is flagged for you to review, that box would be in red, and you would click your cursor in that box, delete the information in that field, and enter the correct information, then hit enter. Now if it is flagged because it did not meet the predetermined threshold, all you must do is select the box that is highlighted in red, make sure the scanner picked up the information correctly, then hit enter. Then your status would change from being flagged to "OK". Now I'm going to go ahead and correct my control balance. To do that, just put your cursor in the control balance box and enter the deposit total that your deposit should be.

If you have a check that you do not want to include in your deposit, (for example let's say my check image on this particular check is very poor and we can't read the "Pay to the Order of" field or the legal amount) you would select the trash can. The system will ask you if you really do want to cancel your item. I'm going to say yes. Your message will change to "Your Item Has Been Deleted" and your routing number and account number will be crossed out. And again, you will need to change your control balance because you did delete a check from your deposit.

Once your total amount and your control balance are in line, you can submit your deposit. After you have selected "Submit Deposit", you are going to come to your "Complete Deposit" screen. It will show you each item that you just scanned, and the system also creates a deposit ticket. That is what this credit type is, it is the deposit ticket that the system has generated.

You would be able to download a report from here, but I don't recommend that you use your complete deposit report for any type of bookkeeping. The reason I say that is because ECCU has not completed our deposit review yet, so this report would not include any items that ECCU may potentially reject.

If you wish to start another deposit, you would select the "Start New Deposit" icon and that would take you back to your deposit screen. You do have the option to download your check images or a CSV file. CSV is just a comma delimited file, also an excel spreadsheet. Now what you could do, and this is dependent on your procedures and policies, is you could print out the excel spreadsheet, wrap that around your checks, and use that as an indicator that those checks have already been scanned. Also, it would give you a way to do a quick search if you needed to look for a check in a particular deposit. I will download the spreadsheet so you see what it looks like. Now you do need to expand your columns, so all the information is viewable. The system assigned each check an item number, and that is what the item column represents. Your debit field represents a check, a credit is a deposit ticket. It includes the routing number of each check, the account number and check number of each check, and the dollar number of each check. You could print this out and wrap it around your checks.

REPORTING

Now we're going to go over the reporting. When you click on the reporting tab, it defaults you into the reports area. On this particular screen, if you want a printout of every deposit that you have completed for the day in one continuous report, this screen is the option for you. If you have multiple accounts, you are going to select the account that you would like to print out, or you can select all accounts. When you select "generate report", it is going to give you everything that you did for the date range selected. If you are trying to go back to a different date, you will need to change the date selected in these fields.

Now on your reports screen, the top of your screen is just an account summary; it just provides you how many deposits you have done, the dollar amounts, etc. If you expand your item details, this is where it will show you your actual deposit. Now if your item status says "processing", that means ECCU has not completed our deposit review. It can take us up to two hours after you submit your deposit to complete our review, and until we have completed our review that status will say "Processing". Once we have completed our review, the status will change to "Completed". You may customize this screen. There are a lot of columns on this particular screen; so you can customize this by whatever you want to see. It doesn't matter which column you select, but you're going to select an arrow then select columns, and any checkmark that you remove from these squares will no longer appear on your computer screen.

When ECCU communicates to you regarding your deposits, we are going to refer to the client item ID and the client deposit ID. The server deposit ID and the server item ID are just different ID numbers the system assigns your deposits and your checks; since ECCU does not refer to these, you may remove the checkmarks from those squares. Anything else you remove is dependent on you and how you would like to customize your screen. You can download your CSV file, which is the exact same thing we looked at on the previous screen, from your reports.

Now if we select "Research", this is where you can print out your deposits by deposit number. Again, you want to pay attention to your date range; if it is a different day than the day you are logged in to the system, you are going to want to update your date range. There are all kinds of different criteria you

can enter as well if you are trying to find one particular item or deposit. Again, this is a research area, so you can research different items from within your deposit.

When you select “generate report”, it is going to bring up everything that you did for the day that you have on your date range. Again, you can customize this screen the same way we did on your report screen. You’re going to go to your columns and remove any checkmarks from the squares that you don’t want to see on your monitor. This is user specific, so each user can customize this to their liking. Again, I do recommend that you wait to download your check images until your item status does say completed because then you know that ECCU has completed our deposit review. If we did reject anything, you will have a dollar amount in the adjustment column here. Now if you notice, one of your column headings is “Client Deposit ID”.

If you want to search or print by deposit, this is what is going to come into play. If you notice, I do have two deposits listed here and each deposit has a different ID number – one is 173360, and the other is 173362. So if I wanted to print my check images for only the deposit of 173362, that is what I’m going to put in this field. And I will select “generate report” and its going to bring up just that one deposit; the other deposit is no longer visible. I can select “download PDF”, and again you can download the front and the back or just the front, and that will bring up the checks that you scanned in that one particular deposit. All the information pertaining to the deposit will be found to the left of the check, and your deposit ticket will be the last item. Now if I wanted to view all the deposits I did for this day, I would just delete my deposit ID number, select “generate report”, and then both my deposits are now visible. And if I select “download PDF” it would include both my deposits. If I only wanted to print deposit 173360, I would put 173360 in my deposit ID field.

That’s it for the Remote Deposit Capture environment; I hope everyone enjoyed the presentation! Thank you very much for listening.