

Considerations when Choosing Potential ACH Software Vendors

ACH software vendors can be helpful if you plan to do FedACH® origination for multiple customers. There are a variety of third party vendor software products available. While the Federal Reserve Banks do not endorse or sponsor any of these vendors or their products, we have prepared this information tool to assist customers like you. As such, the Reserve Banks shall not be liable for the direct or indirect results of the use of this information.

This guide is purely for informational use. It contains potential questions and an evaluation matrix that you may find helpful when choosing an ACH software vendor. Keep in mind, the requirements and needs of all the Federal Reserve Banks' customers are different. The information contained within this guide is merely illustrative and does not necessarily include all information that you should consider when choosing a vendor, nor is it intended to replace any other guide or tools available for choosing ACH software vendors.

ACH software may provide features that could be beneficial to your business. When choosing ACH software vendors, you may want to consider your long-term ACH operating needs. Because ACH processing and regulatory environments change, you may want to choose software that can easily adapt to regulatory changes. You also may want to choose a software vendor who has a track record of promptly providing software updates when necessary due to processing or regulatory changes.

Here is a list of potential questions you may wish to consider asking and an evaluation matrix for comparing potential ACH software vendors.

General Vendor Information

1. Name of primary contact.
2. Primary contact's e-mail address.
3. How many customers use your software?
4. What is the primary geographic area that you serve?
5. How many states do you serve?
6. Would you provide names of national contacts and/or references?

Origination/Receipt Features

1. What ACH formats (i.e., SEC codes) do you support?

ACK ___	ARC ___	ATX ___	BOC ___	CBR ___
CCD ___	CIE ___	COR ___	CTX ___	DNE ___
ENR ___	MTE ___	PBR ___	POP ___	POS ___
PPD ___	RCK ___	SHR ___	TEL ___	TRC ___
TRX ___	WEB ___	XCK ___		

2. Do you provide the ability to create recurring batches?
3. Do you provide the ability to warehouse files?
4. Is there an automatic scheduling feature?
5. Is it possible to strip out 'on-us' items?
6. Is there an import module?
7. Is there an offset feature?

8. How frequently do you upgrade to support NACHA rules changes? How is this done?
9. Do you provide front-end edits?
10. Can multiple batches be consolidated into a single file?
11. Is there an OFAC module?
12. Do you provide return features?
13. Do you provide NOC features?
14. Do you support addenda reporting?
15. Do you provide for the ability to set exposure limits?
16. Do you provide pre-notification capabilities?

Technical Application Features

1. Do you support a mainframe or a PC platform, or both? Also, do you offer a module with Internet/Web functionality?
2. What PC platforms do you support (e.g., Windows NT, Windows XP)?
3. What modem capabilities do you require?
4. Do you provide customizable reporting features?
5. Do you provide customer billing reports?
6. What type of data encryption do you provide?
7. What about availability of branding features?
8. If we were to purchase your software, can we request customization? Is there a charge?

Software Interface and Other Features

1. Do you provide financial EDI translation – receipt only?
2. Do you provide financial EDI origination?
3. Do you support PC home banking?
4. Do you provide corporate interface capabilities (e.g., modem/direct line, not electronic, Internet)?
5. Do you provide a corporate billing report?
6. Do you support telephone bill payment?

Training and Support

1. Is there a demo of your software? If so, how is it accessed?
2. Do you provide installation support?
3. What hours is software support available?
4. What is the phone number for support?
5. Is there a training/installation fee? If so, how much?
6. Do you charge an annual maintenance fee?

Price and License Specifications

1. What is the base price of your software?
2. Are there other costs?
3. Do you provide single or multiple licenses, or both?
4. Is there a separate cost for modem capabilities?
5. Is there a cost associated with upgrades?

ACH Software Vendor Comparison Matrix

		Vendor A	Vendor B	Vendor C	Vendor D
General Vendor Information					
1	Contact name				
2	Contact's e-mail address				
3	Number of customers				
4	Primary geographic service area				
5	Number of states served				
6	National contacts/references				
Origination/Receipt Features					
1	ACH formats (SEC codes) not supported (if any)				
2	Ability to create recurring batches				
3	Ability to warehouse files				
4	Auto-scheduler				
5	Ability to strip on-us items				
6	Import module				
7	Offset features				
8	Frequency of upgrades to support NACHA rules changes				
9	Front-end edits				
10	Multiple batch consolidation into one file				

ACH Software Vendor Comparison Matrix

		Vendor A	Vendor B	Vendor C	Vendor D
11	OFAC module				
12	Return features				
13	NOC features				
14	Addenda reporting				
15	Ability to set exposure limits				
16	Lost or destroyed check (XCK) entries				
17	Re-presented check (RCK) entries				
18	Check conversion (POP) and card transactions (MTE, POS, SHR)				
19	Cross-border payments (CBR, PBR)				
20	Telephone-initiated entries (TEL)				
21	Internet-initiated entries (WEB)				
22	Accounts receivable/lockbox entries (ARC)				
23	Prenote capabilities				
Technical Application Features					
1	Mainframe or PC platform (also, Internet/Web capabilities)				
2	PC platforms supported				
3	Modem capabilities				
4	Customizable report features				

ACH Software Vendor Comparison Matrix

		Vendor A	Vendor B	Vendor C	Vendor D
5	Customer billing reports				
6	Data encryption				
7	Availability of branding features				
8	Capability of institution to customize software				
Software Interface and Other Features					
1	Financial EDI translation – receipt only				
2	Financial EDI origination				
3	Creation of acknowledgments (ACK, ATX)				
4	PC home banking				
5	Corporate interface capabilities (e.g., modem/direct line, not electronic, Internet)				
6	Corporate billing report				
7	Telephone bill payment				
Training and Support					
1	Availability of demo				
2	Installation support				
3	Software support availability				
4	Toll-free number				
5	Training/installation fee(s)				
6	Annual maintenance fee				

ACH Software Vendor Comparison Matrix

		Vendor A	Vendor B	Vendor C	Vendor D
Price and License Specifications					
1	Base price				
2	Other costs				
3	Single or multiple licenses				
4	Cost for modem capabilities				
5	Cost for upgrade				