

EFT setup/change Process

The following information is intended for Departmental and Program use only:

This process is broken down into three stages: Handling and Reviewing an EFT Request, Troubleshooting, and Verification Guidance

STAGE 1: Handling and Reviewing an EFT Request

- 1) Please use the most current EFT Direct Deposit Authorization form which is available on the CORE site.
- 2) On the EFT form you will need to complete Section I as shown below with your departmental information prior to sending the form to your vendor. (Do not enter CMU information)

SECTION I (DEPARTMENT USE) - PAYOR, STATE INFORMATION

STATE DEPARTMENT _____	VCUST# _____
MAILING ADDRESS _____	ADDRESS ID _____
CITY, STATE, ZIP _____	VERIFIED BY _____
DEPARTMENT CONTACT _____	PHONE _____
EMAIL _____	

EXAMPLE ONLY - DO NOT ENTER INFORMATION

- 3) Send the form to your vendor and inform the vendor that he/she must complete Sections II, III, and IV of the form and also send in a voided check. If the vendor cannot provide a voided check then a signed bank letter is necessary. The bank letter needs to be on bank letterhead with bank address and contact information and be signed by a bank representative. The letter must have the vendor's legal name, TIN, Bank Account number, Bank routing number, if account is checking or savings, vendor's address. Please see last page for redacted example.
- 4) Upon receipt of the EFT form and voided check from the vendor you must review the documentation.
 - a) Make sure that you have a current completed EFT form and a voided check or an official bank letter (NO other document will be accepted: temporary checks or direct deposit slips, etc.)
 - b) Section II must be completed in entirety unless marked as optional.
 - Mailing address in Section II, and address on voided check must match, or be explained in the email request.
 - Email remittance will be setup only if the email address is legible, if illegible please get the correct email address when you complete verification.

SECTION II - PAYEE, VENDOR INFORMATION

VENDOR NAME _____	
D/B/A (DOING BUSINESS AS, OR) _____	
MAILING ADDRESS _____	
CITY, STATE, ZIP _____	
EMAIL (FOR REMITTANCE ADVICE) _____	PHONE _____

EXAMPLE ONLY - DO NOT ENTER INFORMATION

- c) Section III must be completed in entirety unless marked as optional.
 - Verify that the ABA number and Bank account number on the form match what is on the voided check/bank letter.
 - If a bank letter is submitted please review the redacted sample bank letter (last page) to ensure all required information is on the documentation.

Some vendors will have multiple locations but one account. If this is marked yes it means all of the vendor records and addresses associated with the Taxpayer ID will have their EFT information modified.

SECTION III - DEPOSITORY FINANCIAL INSTITUTION AND ACCOUNT INFORMATION

INCLUDE A VOIDED CHECK (NOT A TEMPORARY CHECK OR DEPOSIT SLIP) OR SIGNED BANK LETTER THAT INCLUDES ALL INFORMATION REQUESTED IN THIS SECTION

BANK NAME _____ BRANCH ADDRESS _____
ROUTING NUMBER _____ ACCOUNT NUMBER _____
ACCOUNT TYPE CHECKING _____ FURTHER CREDIT (OPTIONAL) _____
PAYEE TAXPAYER ID (SSN/EIN) _____
SHOULD ALL PAYMENTS TO THIS TAXPAYER ID USE THIS BANK ACCOUNT? YES NO
IF NO, PLEASE EXPLAIN _____

EXAMPLE ONLY - DO NOT
ENTER INFORMATION

d) Section IV

- Setup, change, or cancel must be checked.
- If the EFT is changing the existing routing and account numbers must be entered.
- Printed name and date must be legible
- Form must be signed

SECTION IV - AUTHORIZATION FOR DIRECT DEPOSIT SET UP, CHANGE, OR CANCEL

SET UP CHANGE CANCEL FOR CHANGES ONLY, PLEASE PROVIDE EXISTING ROUTING & A
ROUTING NUMBER _____ EXISTING ACCOUNT NUMBER _____

I certify that I have the authority to execute this authorization. I hereby authorize the State of Co to reverse any incorrect EFT payment to the bank account indicated above. If this authorization is not to be implemented, I understand that the payee was not entitled. This authorization remains in full force until the State of Colorado has a reasonable opportunity to act on it.

EXAMPLE ONLY - DO NOT
ENTER INFORMATION

PRINTED NAME _____ TITLE _____
SIGNATURE _____ DATE _____

- 5) Search for the vendor's record on the VCUST table using the TIN and a portion of the vendor name.
- 6) Verify that the Vendor name/dba matches the vendor record on the VCUST table.
- 7) Verify that the address on the form/voided check exists in the vendor record.
 - a) If more than one address id exists on the vendor record and the vendor has checked No enter the appropriate address ID into section I of the EFT form – be sure to verify with the vendor.

SHOULD ALL PAYMENTS TO THIS TAXPAYER ID USE THIS BANK ACCOUNT? YES NO

- 8) If discrepancies were found move to STAGE 2: Troubleshooting. Otherwise move on to STAGE 3: Verification of Vendor Request.

STAGE 2: Troubleshooting

When reviewing the form and existing vendor record in CORE you may run into some discrepancies. Common discrepancies found include:

- 1) TIN number on form does not match vendor record in CORE
 - a) Complete during verification process STAGE 3:
 - Have the vendor submit a new request with the correct TIN.
- 2) Address on EFT form and voided check do not match

- a) Complete during verification process STAGE 3:
 - Notify vendor of discrepancy
 - Note on form if vendor states that this is ok.
 - Have vendor submit a new form if necessary.
- 3) Addresses on form and check match but do not exist in CORE
 - a) Complete during verification process STAGE 3:
 - Have the vendor submit a W-9 so the CMU can change the vendor's address in CORE. (Please submit the W-9 request and wait for processing to be completed prior to sending in the EFT request)

If the request is submitted to the CMU with unresolved discrepancies the request will be returned to the agency.

STAGE 3: Verification Guidance

EFT requests are the most vulnerable area that a fraudster might use to redirect payment, but any type of payment address modification needs to be verified in the same manner. Do not be afraid to ask the vendor questions- We are protecting the Vendor as well as the State when we verify that changes to their record are appropriate.

- 1) Contact the vendor using information independent of what is on the EFT form. (DO NOT USE THE CONTACT INFORMATION PROVIDED ON THE EFT FORM)
- 2) Verify with the vendor that they did request EFT payments.
- 3) Ask the vendor any additional questions you might have especially if you found any discrepancies during your document review.
- 4) Make the vendor aware that email remittance advice will be sent to the email address entered on the form.
 - a) Verify the email address with the vendor, if it is unclear please write it at the bottom or include the address in the body of your email request, this is helpful in setting up the email remittance notification for the vendor.
 - b) Verify that this is the best email for these to be sent.
- 5) When you are satisfied that the EFT information came from your vendor and not a fraudster then scan the complete and correct EFT form and the voided check or bank letter as a single pdf, (one EFT request).
- 6) The naming convention for the PDF should be: VCUST number_vendor name – example VC0000000014293_Washington County
- 7) Email your single request to: State_centralapproval@state.co.us. In the email request **you MUST state that the information has been verified** using the above steps.

DO NOT SEND MULTIPLE REQUESTS IN SINGLE EMAIL