

## Resources

For information about remitting child support payments electronically, or interpreting the format of the child support addenda record, contact:

- Alaska CSSD EFT Program Coordinator at (907) 269-6750
- [csedef@revenue.state.ak.us](mailto:csedef@revenue.state.ak.us)
- The website [www.fms.treas.csp](http://www.fms.treas.csp)

## For information about ACH and ACH origination software, contact:

- Your local financial institution
- National Automated Clearing House Association (NACHA)  
(703) 561-1100 or access their website at [www.nacha.org](http://www.nacha.org)
- Your regional ACH association  
Northwest Clearing House Association  
(206) 622-7846
- A payroll provider such as Automated Data Processing (ADP)  
or the American Payroll Association (APA)

## For information about the ACH child support convention, contact:

- NACHA (703-561-1100/ [www.nacha.org](http://www.nacha.org)) and request a copy of the Child Support Application Banking Convention: A Guide for Child Support Enforcement Entities & Their Financial Institutions. There is a charge for this publication.



# employers' guide to ..... ELECTRONIC FUNDS TRANSFER for transmitting child support payments

## How Electronic Funds Transfer can work for you

Employers can submit child support payments electronically through the banking network known as the Automated ClearingHouse. Your company already participates in the ACH if you currently offer direct deposit for your employees. Submitting child support payments electronically is a similar process. If you withhold child support payments for a number of employees, Electronic Funds Transfer could benefit your company.

## Advantages of EFT

EFT offers a number of advantages to employers. These include:

- The security of knowing that there are no checks to be lost, stolen or delayed.
- EFT eliminates the possibility of check fraud or mail fraud.
- The number of people with access to your financial institution account information is reduced
- You may use EFT with any number of states, using a standard EFT file
- You have assurance that child support will be received by our state disbursement unit (SDU) and distributed to families accurately and efficiently.

## Is EFT right for my company?

Using EFT will be easy if:

- You already offer Direct Deposit to your employees for payroll
- You are doing child support wage withholding for 5 or more employees
- You use a payroll services company
- Your financial institution has ACH software, or has provided you with a PC ACH software program.

## Where do I start?

If you use a payroll service, ask if they can submit your child support withholdings through the ACH. Otherwise, ask the ACH originator at your financial institution if they use a CCD+ or CTX format.

Whichever you choose, let them know you wish to use the ACH convention for submitting child support payments. If they are not familiar with the convention, they can get a copy of a booklet developed by the Bankers EDI Council titled Child Support Application Banking Convention: A Guide for Child Support Enforcement Entities & Their Financial Institutions. This publication is available through the National Automated ClearingHouse Associations (NACHA).<sup>1</sup>

## How do I use EFT?

### 1. Obtain the data necessary to identify each child support payment submitted.

This data typically includes employee name, social security number, child support case number, payment amount and pay date.

### 2. Contact the EFT Coordinator at CSSD (907) 269-6750.

CSSD will provide bank routing information, account number and further instructions.

### 3. Convert data into a standard ACH format (CCD+ or CTX).

**This can be done:**

- a) Through your payroll service
- b) Through your financial institution, or
- c) In house, using a software package designed to generate ACH files

### 4. Notify your financial institution when you're ready to send a test transaction.

A test transaction verifies the accuracy of bank account and child support information, and checks formatting.

### 5. Submit the ACH file into the ACH network.

Your financial institution must do this, using the ACH convention for submitting child support payments.<sup>2</sup>

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<sup>1</sup> See Resources section on the back page.

<sup>2</sup> See Resources section on the back page.