

The Raiser's Edge™

EFT Overview Guide for Canada

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Contents



WHAT IS IN THIS GUIDE?	v
How Do I Use These Guides?	v
EFT OVERVIEW	1
An Overview of EFT Processing	2
Getting Started with Blackbaud Merchant Services	2
Getting Started With IATS	3
EFT and The Raiser’s Edge	3
Configuration Settings	4
Automatically Generate Payments and Recurring Gifts in a Batch	6
Create Transmission Files	7
Commit a Batch	10

What Is In This Guide?



In the *EFT Overview Guide for Canada*, you learn about the process of electronic funds processing, including the tasks you need to accomplish before you even begin to use *Electronic Funds Transfer*. Topics covered in this brief guide include overviews of merchant account numbers, and IATS. You can also learn about the following:

- “Automatically Generate Payments and Recurring Gifts in a Batch” on page 6
- “Create Transmission Files” on page 7
- “Commit a Batch” on page 10

How Do I Use These Guides?

The Raiser’s Edge user guides contain examples, scenarios, procedures, graphics, and conceptual information. Side margins contain notes, tips, warnings, and space for you to write your own notes.

To find help quickly and easily, you can access the **Raiser’s Edge** documentation from several places.

User Guides. To access PDF versions of the guides, select **Help, User Guides** from the shell menu bar or click **Help** on the Raiser’s Edge bar in the program. You can also access the guides on our website at www.blackbaud.com. From the menu bar, select **Support, User Guides**.

In a PDF, page numbers in the Table of Contents, Index, and all cross-references are hyperlinks. For example, click the page number by any heading or procedure on a Table of Contents page to go directly to that page.

Help File. In addition to user guides, you can learn about **The Raiser’s Edge** by accessing the help file in the program. Select **Help, The Raiser’s Edge Help Topics** from the shell menu bar or press **F1** on your keyboard from anywhere in the program.

Narrow your search in the help file by enclosing your search in quotation marks on the Search tab. For example, instead of entering Load Defaults, enter “Load Defaults”. The help file searches for the complete phrase in quotes instead of individual words.

EFT Overview



- An Overview of EFT Processing** 2
- Getting Started with Blackbaud Merchant Services** 2
- Getting Started With IATS** 3
- EFT and The Raiser’s Edge** 3
- Configuration Settings 4
 - Financial Institutions 4
 - Business Rules 4
- Automatically Generate Payments and Recurring Gifts in a Batch 6
- Create Transmission Files 7
 - Direct Debit Transmission Files and the Sponsoring Bank 8
 - Transmission Files and IATS 9
 - Credit Card Transmission Files and an Authorization Service 10
- Commit a Batch 10

An Overview of EFT Processing

When you receive gifts donated by direct debit or credit card, you can use an electronic funds transfer to process the transactions. Electronic funds transfer is a general banking system by which transactions, such as deposits or bill payments, are made electronically from a donor's bank account or credit card to your bank account. Perhaps the most valuable donors to your organization are the ones who commit to donate on a regular basis — your regular supporters. With *Electronic Funds Transfer*, you can offer your donors the ability to regularly contribute electronically to your organization by direct debit from their bank accounts or by credit card. With *Electronic Funds Transfer*, you benefit from reduced paperwork and postage costs.

When you use *Electronic Funds Transfer*, additional features are available in *Batch* so you can use **The Raiser's Edge** to easily process your gifts.

- In *Batch*, use the **Automatically Generate Transactions/Payments** menu option to automatically generate payments (gift records) for selected recurring gifts or pledges that require electronic processing through direct debit or credit card. You automatically generate these electronic payments through a gift batch. The program creates a payment entry for each eligible recurring gift transaction or pledge installment due within the gift batch you use.
- In *Batch*, use the **Create EFT Transmission Files** menu option to create direct debit transmission files to send to your organization's bank.
- In *Batch*, use the **Create EFT Transmission Files** menu option to create direct debit or credit card transmission files to process with an authorization service such as *Blackbaud Merchant Services* or International Automated Transactions Service (IATS). You can use IATS, owned by Ticketmaster, to authorize and process both direct debit and credit card transactions in **The Raiser's Edge**. For credit card transactions, **The Raiser's Edge** interfaces with your authorization service through the *Blackbaud Payment Service*.
- In *Batch*, use the **Create EFT Transmission Files** menu option to create encrypted credit card transmission files to process credit cards through GPS Canada.
- In *Batch*, you can track the acceptance or rejection code for transactions in a gift batch.
- In *Batch*, you can commit the gift batch.

Now that you have a general understanding of what *Electronic Funds Transfer* can do, the rest of this document describes an overview of the electronic processing of credit card and direct debit transactions.

Getting Started with Blackbaud Merchant Services

You can use *Blackbaud Merchant Services* to authorize and process credit card transactions in **The Raiser's Edge**. You can create transmission files to send to *Blackbaud Merchant Services*, by way of the *Blackbaud Payment Service*, to authorize and process. To create transmission files in *Batch*, use the **Create EFT Transmission Files** option from the **Tools** menu.

You do not need to install additional software to process your credit card gifts with *Blackbaud Merchant Services*. You simply need to set up an account with *Blackbaud Merchant Services*, set a few options in *Configuration*, and begin to create credit card transmission files in *Batch*.

Before you begin to process electronic gifts, follow these tips to help you get started with *Blackbaud Merchant Services*.

- You must have Internet access to submit transmission files to the *Blackbaud Payment Service* and access the *Blackbaud Merchant Services* web portal. You can use the web portal to track transaction activity and submit refunds as necessary.

- ❑ To set up an account, visit <http://bbps.blackbaud.com>. Following the steps outlined at this website, you can create an account with *Blackbaud Merchant Services* and the credentials used to access the account. If your organization does not already have an account with the *Blackbaud Payment Service*, you must set up accounts for both *Blackbaud Merchant Services* and the *Blackbaud Payment Service* at this website.
- ❑ Once you set up your account with *Blackbaud Merchant Services*, configure your account information in *Configuration*. From the tree view, select **Batch options**. In the **Process credit cards and ACH gifts through** field, select "IATS/Other" and click **Click here to set up merchant accounts**. On the Business Rules page for merchant accounts, click **New Account**. The Add Account screen appears where you can enter the information about the gateway and the description, login ID, and password for the merchant account. You obtain all of this information when you set up an account with *Blackbaud Merchant Services*. With your login ID and password, **The Raiser's Edge** automatically interfaces with *Blackbaud Merchant Services* to process your credit card transactions.

Getting Started With IATS

You can use IATS, owned by Ticketmaster, to authorize and process direct debit and credit card transactions in **The Raiser's Edge**. You can create transmission files to send to the *Blackbaud Payment Service* or IATS to authorize and process. To create transmission files in *Batch*, use the **Create EFT Transmission Files** option from the **Tools** menu.

You do not need to install additional software to process your gifts with IATS. You simply need to set up an account with IATS, set a few options in *Configuration*, and begin to create credit card transmission files in *Batch*.

Before you begin to process electronic gifts, follow these tips to help you get started with IATS.

- ❑ You must have Internet access. The IATS website works best with Microsoft *Internet Explorer*, version 5.0 or higher. A modem or Internet access speed of 28.8 baud or better is recommended.
- ❑ To set up an account, contact IATS. You can contact them by telephone at 604-682-8455 (toll free at 1-866-300-4287) or fax at 604-684-1715. IATS supplies you with its own merchant account numbers.
- ❑ Sign and return the IATS Merchant Account Program Agreement by fax to 604-684-1715 along with a copy of a voided cheque for deposit information. IATS will send you a confirmation by fax which includes the necessary user code (login ID) and password to begin processing. IATS can provide full merchant capability for all direct debit transactions and major debit and credit cards within 48 hours of receiving your signed agreement.
- ❑ Once you set up your account with IATS, configure your account information on the Business Rules page of *Configuration*. From the tree view, select **Batch options**. In the **Process credit cards and ACH gifts through** field, select "IATS/Other" and click **Click here to set up merchant accounts**. On the Business Rules page for merchant accounts, click **New Account**. The Add Account screen appears where you can enter the information about the gateway and the description, login ID, and password for the merchant account. You obtain all of this account information from IATS when you set up an account. With your login ID and password, **The Raiser's Edge** automatically interfaces with the IATS authorization service to process the direct debit transactions you include in your transmission files. For credit card transactions, **The Raiser's Edge** automatically interfaces with the *Blackbaud Payment Service*.

EFT and The Raiser's Edge

Once you set up your account with your payment processor, you must set specific options within **The Raiser's Edge**.

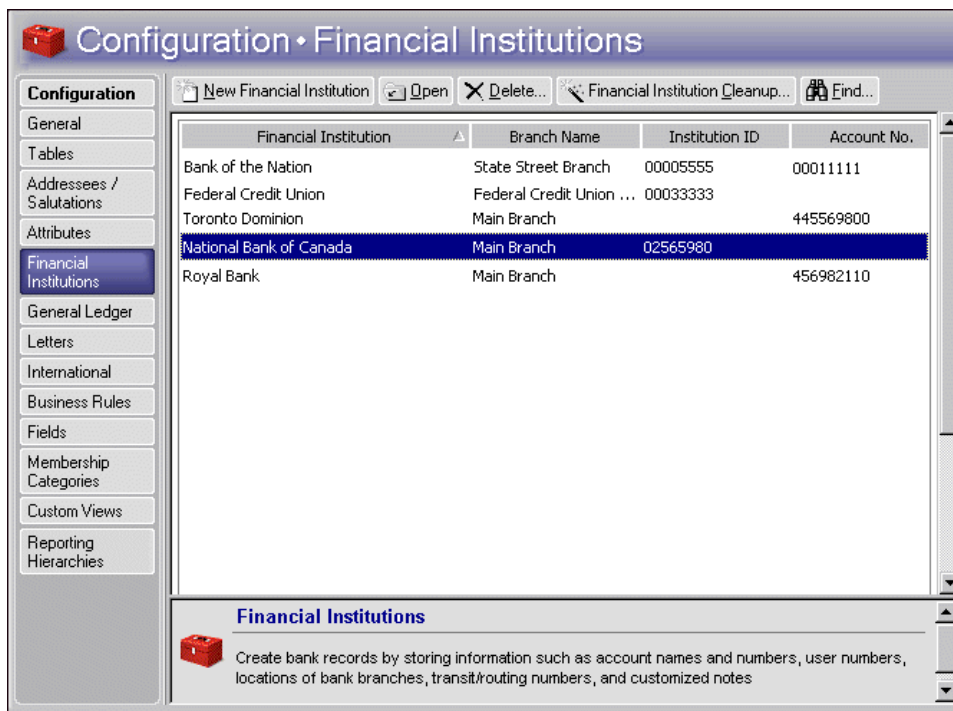
The next sections offer a general description of the options you must set in **The Raiser's Edge**, the overall processing of electronic gifts, and the roles of the third parties involved. For detailed information and procedures about *Electronic Funds Transfer*, see the *Electronic Funds Transfer (EFT) Guide*. You can find this guide on the Blackbaud website under the **Support, Documentation** link. You can also order a hard copy through the Blackbaud website. For more information, see <http://www.blackbaud.com>.

Configuration Settings

When you have *Electronic Funds Transfer*, extra fields appear in *Configuration* so you can process your transmission files.

Financial Institutions

On the Financial Institutions page of *Configuration*, you can add bank information for your organization and designate which banks or branches are “sponsoring banks”. When you mark **Sponsoring Bank**, you indicate that a bank or branch transfers funds electronically through direct debit. You can also add constituent banks on the Financial Institutions page. Banks defined here can be assigned to gifts to provide details on where money is coming from or to constituents as relationships. Also, new banks added from constituent records appear on the Financial Institutions page. To access the Financial Institutions page, on the Raiser’s Edge bar, click **Config**. The Configuration page appears. Click **Financial Institutions**. The Financial Institutions page appears.



On the action bar, click **New Financial Institution**. For detailed information about how to add, edit, and delete financial institution records from the Financial Institutions page, see the Financial Institutions section in the Configuration chapter of the *Configuration & Security Guide*.

Business Rules

On the Business Rules page of *Configuration*, you can set up your credit card authorization program.

Blackbaud Merchant Services, IATS, or Other Authorization Service

On the Business Rules page of *Configuration*, you can select to use a payment processor such as *Blackbaud Merchant Services* as your credit card authorization service. If you use IATS, you can use the authorization service to process both your credit card and direct debit transactions. From the tree view, select **Batch options**. In the **Process credit cards and ACH gifts through** field, select “IATS/Other”.

Configuration • Business Rules

Configuration

- General
- Tables
- Addressees / Salutations
- Attributes
- Financial Institutions
- General Ledger
- Letters
- International
- Business Rules**
- Fields
- Membership Categories
- Custom Views
- Reporting Hierarchies

General

- Duplicates
- Criteria
 - Individuals
 - Organizations
- Options
- Name display
 - Membership
 - Generate IDs
 - Batch options**
- Merchant Accounts
- Gift options
 - General options
 - Activity options
- Constituent options
 - General options
 - Deceased options
- Email options
- Mail options
- Alumni options
- Membership options
 - General options
 - Activity options
- Event options
- Queue Options
- User defined rules
 - Constituent
 - Gift
 - Action

When generating Batch numbers...

IDs will be generated using the next available number.
The next available batch number is 1 Change Number

Prefix numbers with current year YYYY

Reset numbering at the start of a new year

Separate prefix from number using

Sample:

When adding a gift to a batch, warn if constituent has...

- Outstanding pledge balances
- Outstanding recurring gifts
- Outstanding registration fees
- Lapsed membership

Process credit cards and ACH gifts through

[Click here to set up merchant accounts.](#)

Business Rules

Apply predefined and customized validation rules to records in *The Raiser's Edge*

From the tree view, select **Merchant Accounts**. On the action bar, click **New Account**. The Add Merchant Account screen appears where you can enter gateway information and a name, description, and the login credentials for the merchant account. When you set up an account, you obtain all of this information. For information about how to set up a merchant account, see the *Configuration and Security Guide*.

When you finish adding information for an account, click **OK**. Your account appears in the **Merchant Accounts for authorizing credit cards and ACH gifts** grid (To close the New Account screen without saving any data, click **Cancel**). You can add multiple merchant accounts in which to designate your EFT payments. On the Create Transmission Files screen in *Batch*, each account you add in *Configuration* appears in a drop-down list in the **Account** field. Only the account name appears as a selection, so be sure to add a specific name that identifies the type of account. You can use the **Account** field to select the account to which to apply payments in a specific transmission file.

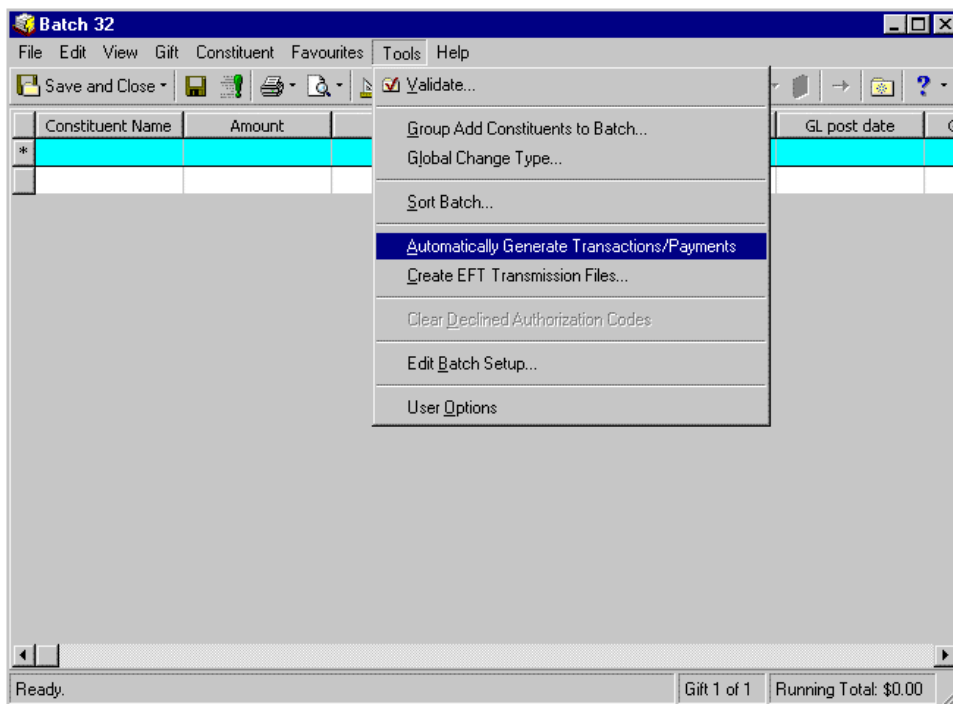
Note: You cannot delete merchant accounts from *The Raiser's Edge*. To prevent the use of a merchant account, we recommend you edit the merchant account and mark **Inactive**.

The **Merchant Accounts for authorizing credit cards and ACH gifts** grid displays all merchant accounts your organization uses with the Blackbaud *Payment Service*. To open and edit existing account information, click **Open Account** on the action bar.

You can now begin to create transmission files in *Batch*. To create transmission files, select **Tools, Create EFT Transmission Files** from the menu bar in a gift batch. With your login ID and password, *The Raiser's Edge* automatically uses the Blackbaud *Payment Service* to interface with the authorization service to process the gifts you include in your transmission files. When you click **Create Now** on the Create Transmission Files screen, the Blackbaud *Payment Service* is automatically initialized. For more information about how to create transmission files, see "Create Transmission Files" on page 7.

Automatically Generate Payments and Recurring Gifts in a Batch

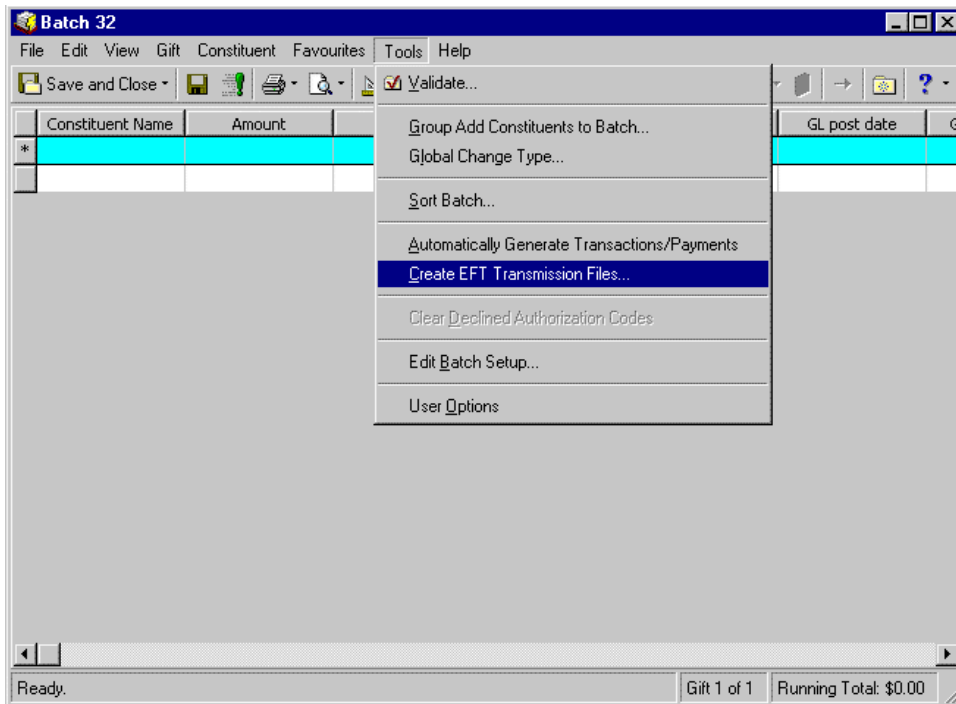
When you have *Electronic Funds Transfer*, you can use the Automatically Generate Transactions/Payments menu option in *Batch* to automatically generate payment (gift) records for recurring gift transactions and pledges with payments due. For detailed information and procedures about automatically generating payments and recurring gifts, see the *Electronic Funds Transfer (EFT) Guide*.



When you are ready to generate payments, from a gift batch, select **Tools, Automatically Generate Transactions/Payments**. You can specify the types of transactions to generate as well as the transaction date. For more detailed information about automatically generating transactions/payments, see the *Electronic Funds Transfer (EFT) Guide*. Once you generate the payments due, each payment due is added to a row in the gift batch. You can now create transmission files to send to your local bank or merchant account.

Create Transmission Files

Transmission files contain all the necessary information to electronically transfer funds from a donor's bank account or credit card and then on to your organization's bank account. There are two types of transmission files — direct debit and credit card. Transmission files are associated with a specific gift batch. You can create one direct debit transmission file and one credit card transmission file for each batch in the database. For detailed information and procedures about how to create and send transmission files, see the *Electronic Funds Transfer (EFT) Guide*.



To create a transmission file, select **Tools, Create EFT Transmission Files** from the menu bar of the Data Entry screen for a gift batch. The Create Transmission Files screen appears so you can select the type of transmission files to create.

The Create Transmission Files screen is divided into three main sections.

- Under **Direct Debit Transmission File**, to include direct debit transactions in the transmission file, mark **Create direct debit file** or **Create direct debit file for**. If a sponsoring bank authorizes your direct debit transactions, select the sponsoring bank, bank file format, and file location to use to generate the transmission file. When you set up an IATS merchant account in *Configuration*, you can select to create the transmission file for IATS and which merchant account to use.
- Under **Credit Card Transmission File**, to include credit card transactions in the transmission file, mark **Create credit card file**. When you set up a merchant account in *Configuration*, you can select which account to use.
- Under **Control Report**, to create a control report of the transactions included in the transmission file, mark **Create control report** and select whether to preview or print the report.

Direct Debit Transmission Files and the Sponsoring Bank

Note: If you select to use IATS to authorize your direct debit payments, *The Raiser's Edge* automatically interfaces with IATS to process the direct debit gifts you include in your transmission files. For more information about direct debit transmission files and IATS, see "Transmission Files and IATS" on page 9.

If you use a sponsoring bank to authorize your direct debit payments, once you create a direct debit transmission file from a batch, you can send the transmission file to and from the sponsoring bank via floppy disk or as an email attachment. You and your bank should decide the best way to communicate this information.

Once the transaction is processed, if the account number for a payment does not exist or is invalid for any reason, the bank declines the request and you can then add the appropriate rejection codes for that gift in your batch. If the transactions are successful, the appropriate amount for each payment is deposited into your organization's bank account.

You must communicate effectively with your organization's bank to ensure the direct debit file you create can be processed. Coding requirements are strict for direct debit files and the financial institution can work with you in "test mode" to verify that the files you create can be processed. Once the testing process is validated, you can request that your financial institution transfer you to "live mode" to begin processing payments.

When you create the transmission file, you must select the bank file format to use for Canadian direct debit transactions. **The Raiser's Edge** currently supports the following file formats:

- CPA 1464 Standard Format
- CIBC 1464 Standard Format
- Royal Bank 1464 Standard Format
- National Bank 1464 Standard Format
- Toronto Dominion 1464 Standard Format
- Bank of Nova Scotia

File Formats

Differences, such as leading zeros, exist between the sponsoring bank's required numbers, and what you need to enter in **The Raiser's Edge**. Because of this, it is important you understand exactly what is included in a sponsoring bank's file format. The following fields are included in a sponsoring bank's file format:

Account name. The account name is the client's sponsoring bank name

Account number. The account number is the client's sponsoring bank account number

User number. The user number is also known as the client number. This number is supplied by the sponsoring bank and is used to identify the client when the client's transactions are sent for processing.

Institution ID. The institution ID contains eight digits; a three digit bank number and a five digit transit number. If the sponsoring bank has a bank number less than three digits, you must add leading zeros at the beginning of the number to allow the bank number to be three digits in length. For example, if Royal Bank's bank number is "3", then you must add zeros to make the bank number "003".

The transit number contains five digits and makes up the last part of the eight digit institution ID.

Destination ID. The destination ID is supplied by the client's sponsoring bank and relates to the bank processing centre at which direct debit transactions are cleared. The destination ID includes five digits with a leading zero. However, within **The Raiser's Edge**, the destination ID contains only four digits. For **The Raiser's Edge** to translate the destination ID, the leading zero must be removed.

For detailed information and procedures regarding creating and sending transmission files, see the *Electronic Funds Transfer (EFT) Guide*.

Transmission Files and IATS

Note: When you use IATS to process transactions, you cannot include credit cards or direct debit accounts issued in multiple countries in the same gift batch. You must create separate gift batches for gifts using credit cards or accounts issued in different countries

Once you create a transmission file from a batch and click **Create Now** on the Create Transmission Files screen, **The Raiser's Edge** automatically interfaces with IATS or the Blackbaud *Payment Service* to process the gifts you include in your transmission files.

When you use IATS to authorize your direct debit gifts, IATS processes the direct debit gifts in your transmission files. Once the transactions are processed, if an account number for a payment does not exist or is invalid for any reason, IATS declines the request and you can add the appropriate rejection codes for that gift in your batch. If the transactions are successful, the appropriate amount for each payment is deposited into your organization's bank account.

When you use IATS to authorize your credit card gifts through the Blackbaud *Payment Service*, IATS approves or rejects the credit card gifts you include in your transmission files.

- If IATS approves a credit card transaction, IATS puts an authorization code that begins with “Y” in the **Authorization Code** field of the gift batch. IATS verifies that sufficient funds exist in the account for transfer. If sufficient funds exist, the account is processed and a transfer of funds takes place immediately.
- If IATS rejects a credit card transaction, IATS adds “N” in front of the authorization code. When *The Raiser’s Edge* receives the response, *The Raiser’s Edge* strips the “N” from the authorization code, converts the authorization code to text, and puts the text in the **Rejection Code** field of the batch. Examples of rejection codes include the credit card not being supported by IATS, credit card is expired, credit card is lost or stolen, invalid card status, or unable to process transaction.

To try to re-authorize declined credit cards with IATS, you must first clear all declined authorization codes from the batch.

Credit Card Transmission Files and an Authorization Service

Once you create a transmission file from a batch and click **Create Now** on the Create Transmission Files screen, *The Raiser’s Edge* automatically interfaces with the Blackbaud *Payment Service* to process the credit card gifts you include in your transmission files through your authorization service merchant account. The authorization service approves or rejects the credit card gifts you include in your transmission files.

- If the authorization service approves a credit card transaction, a code that begins with “Y” appears in the **Authorization Code** field of the gift batch. The authorization service verifies that sufficient funds exist in the account for transfer. If sufficient funds exist, the account is processed and a transfer of funds takes place immediately.
- If the authorization service rejects a credit card transaction, an “N” appears in front of the authorization code. When *The Raiser’s Edge* receives the response, it strips the “N” from the authorization code, converts the code to text, and puts the text in the **Rejection Code** field of the batch. Examples of rejection codes include the credit card not being supported by the authorization service, credit card is expired, credit card is lost or stolen, invalid card status, or the authorization service is unable to process transaction.

To try to re-authorize declined credit cards, you must first clear all declined authorization codes from the batch.

Commit a Batch

Once your direct debit and credit card payments are authorized or rejected, you can commit the batch to the database. Upon committal, all authorized payments are applied and the gift records in your database are updated. From the Commit Gift Batch screen, if you have exceptions in your batch, you can choose to create a batch with those exceptions. This is a useful way to work with all the rejected payments in your batch. For more information about how to commit a batch, see the *Batch Guide*.