



State of Iowa
Department of Human Services
Employers Partnering In Child Support
PO Box 9135
Des Moines, IA 50306-9135

**Electronic Funds Transfer (EFT) / Electronic Data Information (EDI) Transactions
INFORMATION FOR EMPLOYERS**

Introduction

Electronic Funds Transfer (**EFT**) / Electronic Data Information (**EDI**) allows employers to electronically transfer support-related withholdings through the Automated Clearing House (**ACH**), a government facility that coordinates EFT/EDI transactions.

EFT/EDI provides your company with long-term financial savings in operating costs by:

- ✓ Increasing accuracy;
- ✓ Increasing reliability—no lost checks or mail delays;
- ✓ Reducing paperwork;
- ✓ Eliminating postage costs; and
- ✓ Eliminating theft or fraud.

If you are already paying your employees wages through direct deposit, to add child support payments to the information you are already sending electronically to your financial institution, this will be a simple change.

How EFT/EDI Works

1. Your company transmits the payment and remittance information to your financial institution. The data is typically transferred via modem to your financial institution (ACH credit).
2. Your financial institution creates the ACH entries required to transfer child support withholdings via the ACH network to the Iowa Collection Services Center's (**CSC's**) financial institution.
3. Collection Services Center electronically collects your information and funds for processing.

Note: If you use a payroll service, ask the service to submit your child support withholdings through the ACH.

STEPS TO IMPLEMENT

There are five steps to implementing EFT for child support withholdings.

- 1. Reconcile the State of Iowa's identifying information with the identifying information you currently remit with child support withholdings.**

To ensure families receive support payments in a timely manner, the Employers Partnering In Child Support (EPICS) Unit will reconcile employer identifying information with information in the child support computer system prior to accepting EFT/EDI child support withholdings from an employer. It is important that the identifying information you submit with child support withholdings match the identifying information in Iowa's child support computer system. If the information does not match, there may be a delay in processing the child support withholding.



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Prepare a spreadsheet with each employee's name, Social Security number, and Case number for which you withhold child support. Send this information to EPICS. The EPICS Unit will compare the information with identifying information in Iowa's child support computer system and work with you to resolve any discrepancies.

Send your spreadsheet by mail to:

EPICS
Attn: EFT Coordinator
PO Box 9135
Des Moines, IA 50306-9135
Phone: 877-274-2580

Send your spreadsheet by fax to:

515-564-4103, Attn: EFT Coordinator

Send your spreadsheet by email to:

EPICSEFT@dhs.state.ia.us

2. Complete the company payment profile.

The form is located at the end of this guide. You may mail, email, or fax the form to the EFT Coordinator listed in Step 1.

3. Adapt your payroll system to create the ACH file.

To implement EFT/EDI, your payroll system or another computer system must create the data structure for the ACH file you transfer to your financial institution.

The *Task Force On Electronic Child Support Payments: User Guide For Electronic Child Support Payments* prescribes the appropriate formats and standards for transmitting EFT/EDI child support withholdings. You can download this publication from the National Automated Clearinghouse Association (**NACHA**) via the web at <http://www.nacha.org>. Attached, you will find materials adapted from this guide. There are software applications that accommodate the required data (your existing payroll system may already offer this function). You may also contact your financial institution regarding available ACH software.

4. Coordinate with your financial institution.

Contact your financial institution to determine its capabilities and requirements. In most instances, your financial institution is already accustomed to receiving and sending EFT/EDI transmissions. Complete an agreement with your financial institution that authorizes you to transfer EFT/EDI child support withholdings to the Collection Services Center.



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5. Test the process with your financial institution and CSC.

Testing transmission with your Financial Institution:

After you complete necessary changes to your computer system, you must conduct a test transmission of child support withholding information with your financial institution. Based on the results of this test, some additional changes may be necessary to your computer system or the financial institution's computer system. Continue to test the process until both you and the financial institution are satisfied that the information is being transferred completely and accurately.

Provide a sample file layout to EPICS for approval:

After perfecting the transmission of child support withholding information between you and your financial institution, you must submit a sample file layout to the EPICS Unit for approval. If needed, make corrections to meet a NACHA approved child support format and provide a corrected copy to the EPICS Unit. Upon approval of the file, the EFT Coordinator furnishes you with the financial information you need to begin remitting EFT payments to CSC. You must provide an implementation date prior to the first submission of payment through electronic funds transmission.

NACHA Record Formats for Employers Withholding Child Support Payments

The following record formats are necessary to send EFT transactions over the Automated Clearing House (ACH) Network:

- ✓ File Header Record
- ✓ Company/Batch Header Record
- ✓ Entry Detail Record
- ✓ Addenda Record – this is the record that contains the payment information
- ✓ Company/Batch Control Record
- ✓ File Control Record

The ACH file starts with a **File Header Record** and ends with a **File Control Record**. The file may contain one or more unique batches each starting with a **Company Batch Header Record** and ending with a **Company Batch Control Record**. Your company can send multiple batches in the same file. This gives you the opportunity to group your transactions by division, location, payroll frequency, etc.

The core of the ACH file consists of the **Entry Detail Record** and the **Addenda Record**. The **Entry Detail Record** contains the information necessary to transfer the funds from your financial institution to the Collection Service Center's financial institution. The **Addenda Record** is used to supply information about your employee and how to apply the child support payment.

There are two types of **Entry Detail Records** your company can use: "**CCD+**" or "**CTX/820**". Please check with your financial institution to see if it supports both types.

Attachment A – CCD+ and CTX Record Layout Information

Attachment B – Addenda Record Information



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COMPANY PAYMENT PROFILE

Company Contact Information

Company Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Federal Employer Identification Number (FEIN): _____

EFT Contact:

Name: _____

Position: _____ Phone Number: _____ FAX: _____

Email: _____

Payment Contact:

Name: _____

Position: _____ Phone Number: _____ FAX: _____

Email: _____

Company's Bank

Bank Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Phone Number: _____ FAX: _____

Company Transaction

Select one of the following ACH transactions that your company will use to submit Child Support Payments:

1 _____ ACH-CTX Format

2 _____ ACH-CCD+ Format



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Attachment A
Record Layout Information

CCD+ Record Layout Information

Entry Flow

When using the CCD+ Record Layout, employers should ensure that entries flow in the following order:

File Header Record

 Company/Batch Header Record

 Entry Detail Record

 Addenda Record (1 addenda with 80 byte payment related information field)

 Entry Detail Record

 Addenda Record (1 addenda with 80 byte payment related information field)

 Entry Detail Record

 Addenda Record (1 addenda with 80 byte payment related information field)

 Entry Detail Record

 Addenda Record (1 addenda with 80 byte payment related information field)

 Company/Batch Control Record

File Control Record

Entry Detail Record Layout

Field	Data Element Name	Field Inclusion Requirement	Contents	Length	Position	Description Example
1	Record Type	M	Numeric	1	01-01	Constant "6"
2	Transaction Code	M	Numeric	2	02-03	22
3	Receiving DFI Identification	M	Numeric	8	04-11	99999999 (Example only)
4	Check Digit	M	Numeric	1	12-12	3
5	DFI Account Number	R	Alphanumeric	17	13-29	999999999999999 (Example only)
6	Amount	M	\$\$\$\$\$\$cc	10	30-39	000021584 (Example-Credits only)
7	Identification Number	O	Alphanumeric	15	40-54	
8	Receiving Company Name/ ID Number	R	Alphanumeric	22	55-76	IA_CHILD_SUPPORT
9	Discretionary Data	O	Alphanumeric	2	77-78	
10	Addenda Record Indicator	M	Numeric	1	79-79	1 (must be one addenda record for each entry detail record)
11	Trace Number	M	Alphanumeric	15	80-94	Assigned by the originating bank

M = Mandatory for ACH; **R** = required for this application; **O** = Optional for ACH, but may be required by the state child support agency.



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CTX Record Layout Information

Entry Flow

When using the CTX Record Layout, employers should ensure that entries flow in the following order:

File Header Record

Company/Batch Header Record

Entry Detail Record

Addenda Record (up to 9,999 addenda with 80 byte Payment related Info Field)

Addenda Record

Addenda Record

Addenda Record

Addenda Record

Entry Detail Record

Addenda Record (up to 9,999 addenda with 80 byte Payment related Info Field)

Addenda Record

Addenda Record

Addenda Record

Addenda Record

Company/Batch Control Record

File Control Record

Entry Detail Record Layout

Field	Data Element Name	Field Inclusion Requirement	Contents	Length	Position	Description Example
1	Record Type	M	Numeric	1	01-01	Constant "6"
2	Transaction Code	M	Numeric	2	02-03	22
3	Receiving DFI Identification	M	Numeric	8	04-11	99999999 (Example only)
4	Check Digit	M	Numeric	1	12-12	3
5	DFI Account Number	R	Alphanumeric	17	13-29	999999999999999 (Example only)
6	Total Amount	M	\$\$\$\$\$\$cc	10	30-39	0000021584 (Example-Credits only)
7	Identification Number	O	Alphanumeric	15	40-54	
8	Number of Addenda Records	M	Numeric	4	55-58	Number of addenda records included in payment
9	Receiving Company Name/ID Number	R	Alphanumeric	16	59-74	IA_CHILD_SUPPORT
10	Reserved	N/A	Blank	2	75-76	Leave blank
11	Discretionary Data	O	Alphanumeric	2	77-78	
12	Addenda Record Indicator	M	Numeric	1	79-79	1(may be up to 9,999 addenda records for each entry detail record)
13	Trace Number	M	Alphanumeric	15	80-94	Assigned by the originating bank.

M = Mandatory for ACH; **R** = required for this application; **O** = Optional for ACH, but may be required by the state child support agency.



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Attachment B
Addenda Record Information

Addenda Record Layout

Field	Data Element Name	Field Inclusion Indicator	Contents	Length	Position	Description Example
1	Record Type Code	M	7	1	01-01	7
2	Addenda Type Code	M	05	2	02-03	05
3	Payment Related Information	O	Alphanumeric	80	04-83	See CCD+ DED Child Support Segment/Convention for Employers Section below.
4	Addenda Sequence Number	M	Numeric	4	84-87	0001 for CCD+ Ascending order for CTX
5	Entry Detail Sequence Number	M	Alphanumeric	7	88-94	Matches item number part of 'trace' number

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CCD+ DED Child Support Segment/Convention for Employers

Element	Comments	Content	Attributes		
			1	2	3
	Segment Identifier	DED	M	ID	3/3
DED01	Application Identifier	CS	M	ID	2/2
DED02	Case Identifier	XXXXXXXXXX	M	AN	1/20
DED03	Pay Date	YYMMDD (Date of Withholding)	M	DT	6/6
DED04	Payment Amount	\$\$\$\$\$\$cc	M	N2	1/10
DED05	Non-Custodial Parent SSN	XXXXXXXXXX (Employee's SSN)	M	AN	9/9
DED06	Medical Support Indicator	Y=Yes; N=No	M	AN	1/1
DED07	Non-Custodial Parent Name	XXXXXXXXXXXXXX	O	AN	1/10
DED08	FIPS Code	19000	O	AN	5/7
DED09	Employment Termination Indicator	Y=Yes	O	AN	1/1

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Each data element (DED0X) occupies a specific position within the record segment and is identified by a unique identifier. In constructing the record segment, each data element is preceded by the separator character. The ACH Network requires that an asterisk (*) be used as the data element separator. Each segment must end with a terminator, which in the ACH Network is a backslash (\).

The following is an example of the Deduction Data (DED) Segment as used in the Payment Related Information Segment of the Support Payment Addenda Record:

DED*application identifier*case identifier*pay date*payment amount*non-custodial parent ssn*medical support indicator*non-custodial parent name*FIPS code*employment termination indicator\. (Note the use of the '*' and "\')



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Definition of Elements:

DED01 Application Identifier – The application identifier indicates the type of deduction being withheld from an employee's pay. Always enter the fixed value of "CS" in this field. This is a **mandatory** field.

DED02 Case Identifier – The case identifier element is the IV-D case number. This is a **mandatory** field.

DED03 Pay Date – This is the date that your company will deduct the support funds from the employee's pay. This date must be equal or prior to the date that the EFT transaction reaches CSC. Please note that the date is expressed in this format: Year, Month, and Day. This is a **mandatory** field.

DED04 Payment Amount – This is the amount that your company is withholding from an employee in compliance with an income withholding notice or order. The decimal point is implied to be the last two positions of the number shown. Do not include a decimal point in this field. This field cannot be zero unless the *Employment Termination Indicator* in DED09 is set to "y". This is a **mandatory** field.

DED05 Non-Custodial Parent SSN – This is a nine-position field, which provides the child support receiving agency with the non-custodial parent's Social Security Number. This is a **mandatory** field.

DED06 Medical Support Indicator – A "Y" in this field indicates that the employee has family medical coverage available through your company. If there is no medical coverage available through your company, place an "N" in this field. Please note the question is, "Does your company **offer** family medical coverage?" and not "Does the employee **have** family medical coverage?" This is a **mandatory** field.

DED07 Non-Custodial Parent Name – This is the employee's name. This element indicates the first seven letters of the non-custodial parent's last name followed by the first three letters of his/her first name. Do not enter more than ten positions even if you do not have enough room for the full name. Include a comma between the last name and the first name when the last name is less than seven characters. In most cases you will not be able to fit the full name in this field. This is an **optional** field.

DED08 FIPS Code – The Federal Information Process Standard (FIPS) Code refers to the FIPS Code of the child support entity receiving the transaction. It is five characters when indicating both the state and county codes. It is seven characters when indicating the state, county, and local codes. Always enter the fixed value of "19000" in this field for Iowa Child Support Payments. This is an **optional** field.

DED09 Employment Termination Indicator – Enter "Y" in this field if the employee is no longer employed at your company, or if this is the last pay period that the employee will be employed at your company. Please do not enter "Y" in this field when an employee is laid off or on temporary leave. The only time that the Payment Amount can be zero is when this field is set to "Y". "Y" is the only value that has any meaning in this field. This is an **optional** field.

For specific information on the CTX 820 Transaction Set, please refer to NACHA's Child Support User Guide which may be accessed at: <https://www.nacha.org/resources/child-support-user-guide-feb-2017>.