



# ERPs and Integrating with your Bank

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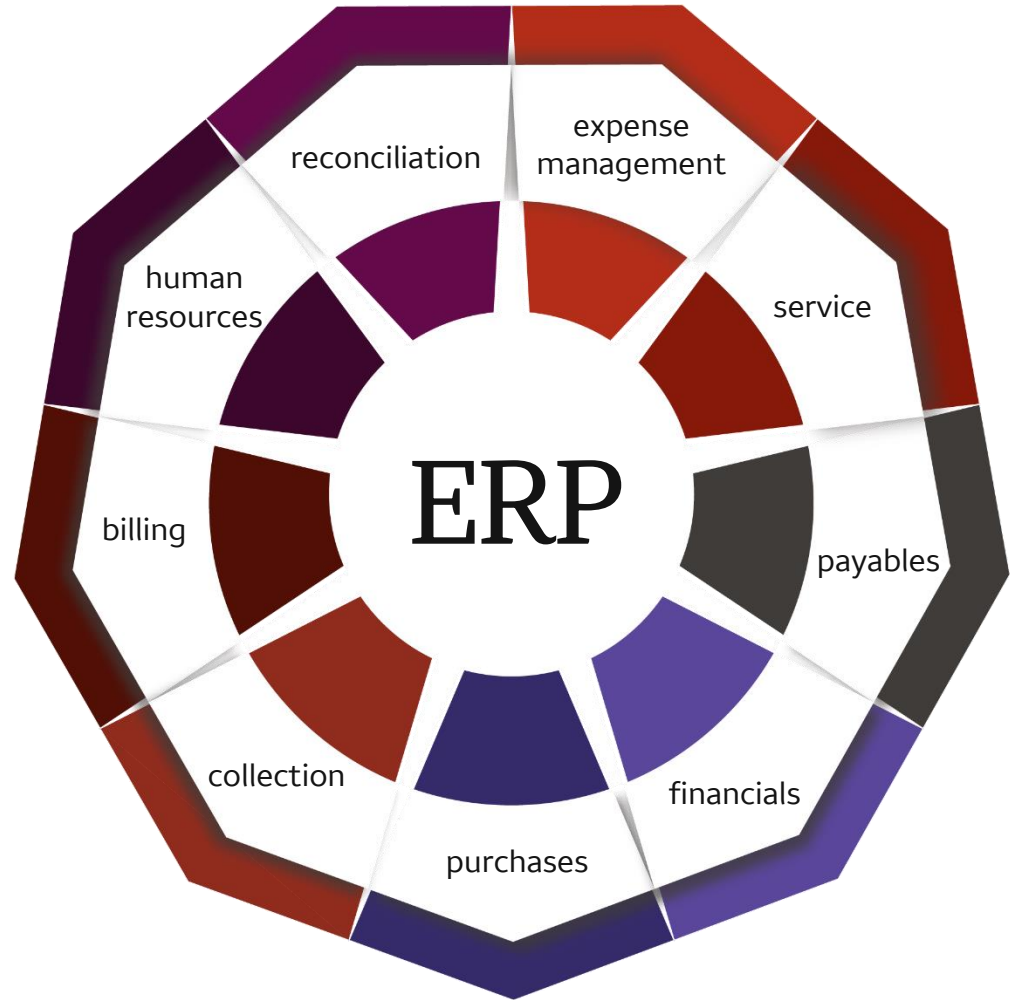
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# What's in an **ERP**?



# Enterprise Resource Planning





What does an **ERP** signify to you?



A word cloud featuring various adjectives in different colors and sizes. The words are arranged in a somewhat circular pattern. The colors include dark red, dark blue, purple, and brown. The sizes vary, with 'convenient' and 'SIMPLE' being the largest. The words are: **AUTOMATION** (dark red), accessible (purple), simple (purple), **SEAMLESS** (dark blue), effortless (dark red), **convenient** (dark blue), automated (purple), **SIMPLE** (dark blue), fast (purple), comfortable (brown), delightful (brown), enjoyable (purple), frictionless (purple), flawless (purple), and efficient (purple).

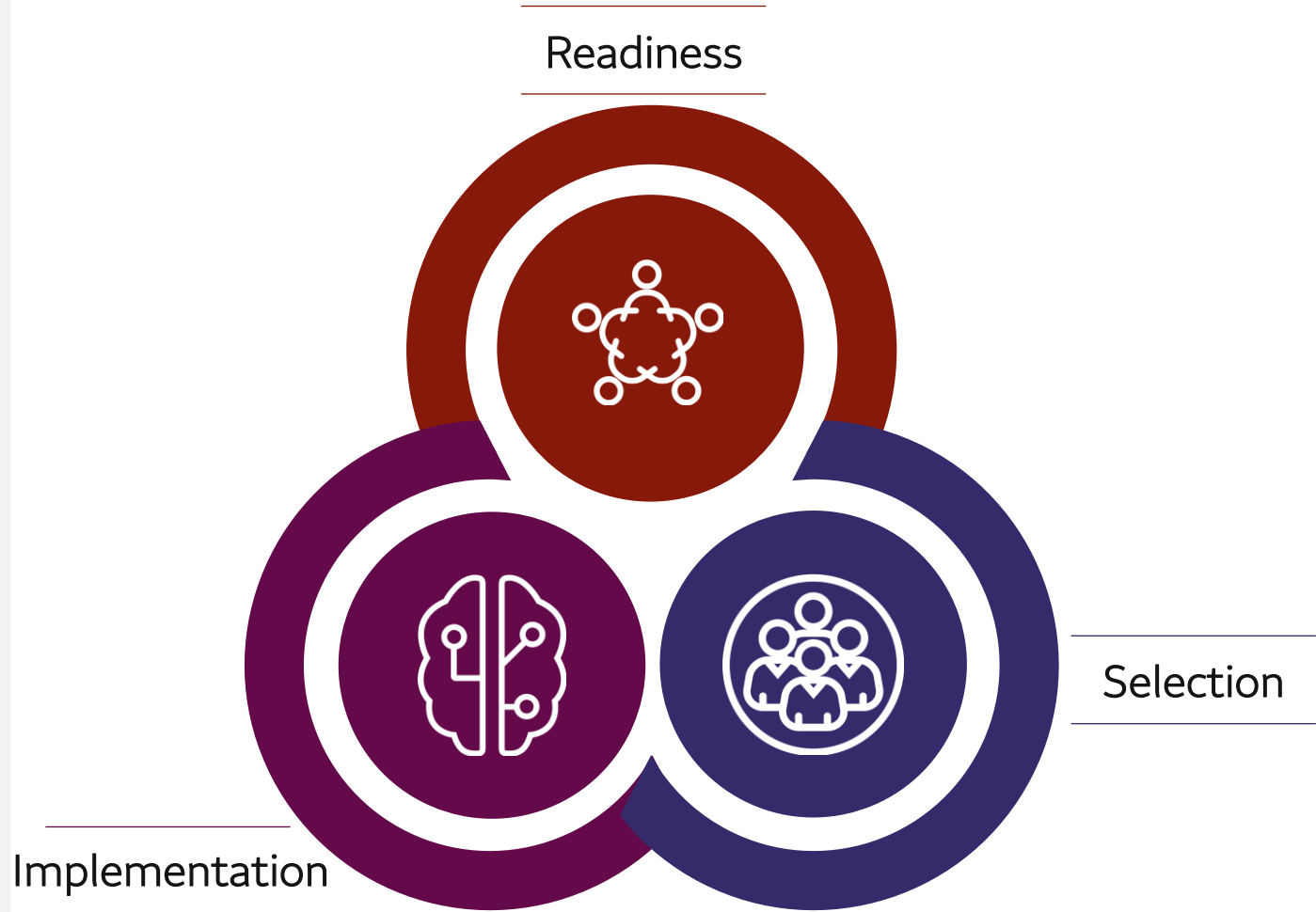
**AUTOMATION** accessible simple  
efficient flawless **SEAMLESS** frictionless enjoyable  
enjoyable effortless flawless **SIMPLE**  
**convenient** fast convenient  
automated delightful EFFICIENT comfortable



# Components of the **ERP** journey

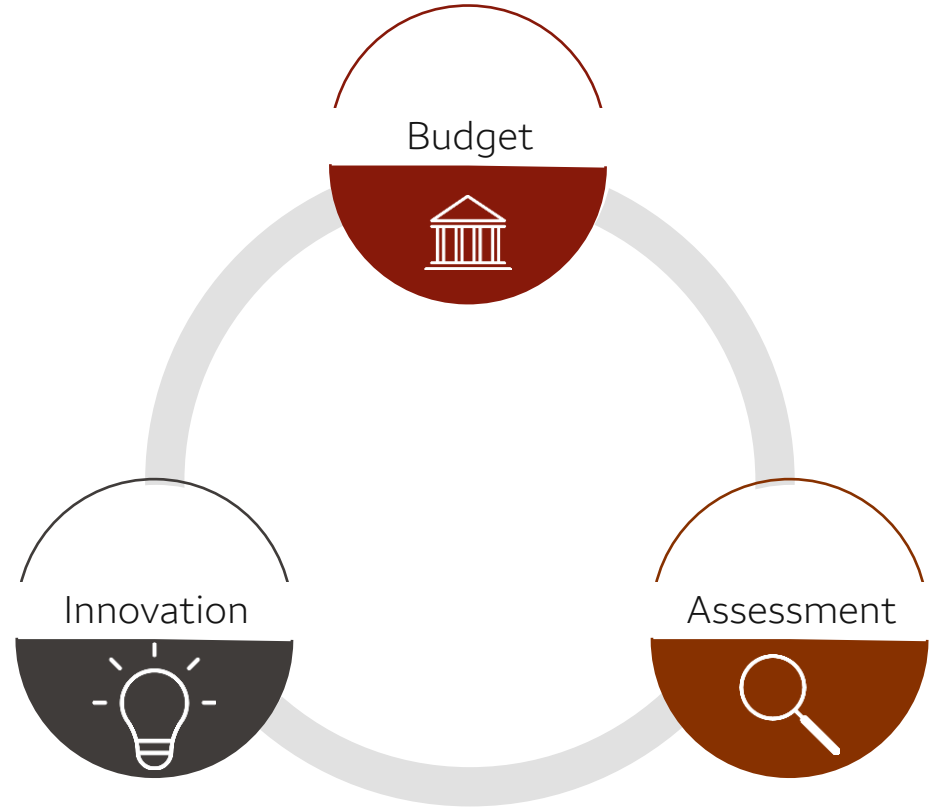


# Your ERP roadmap



# Getting ready for the transformation journey

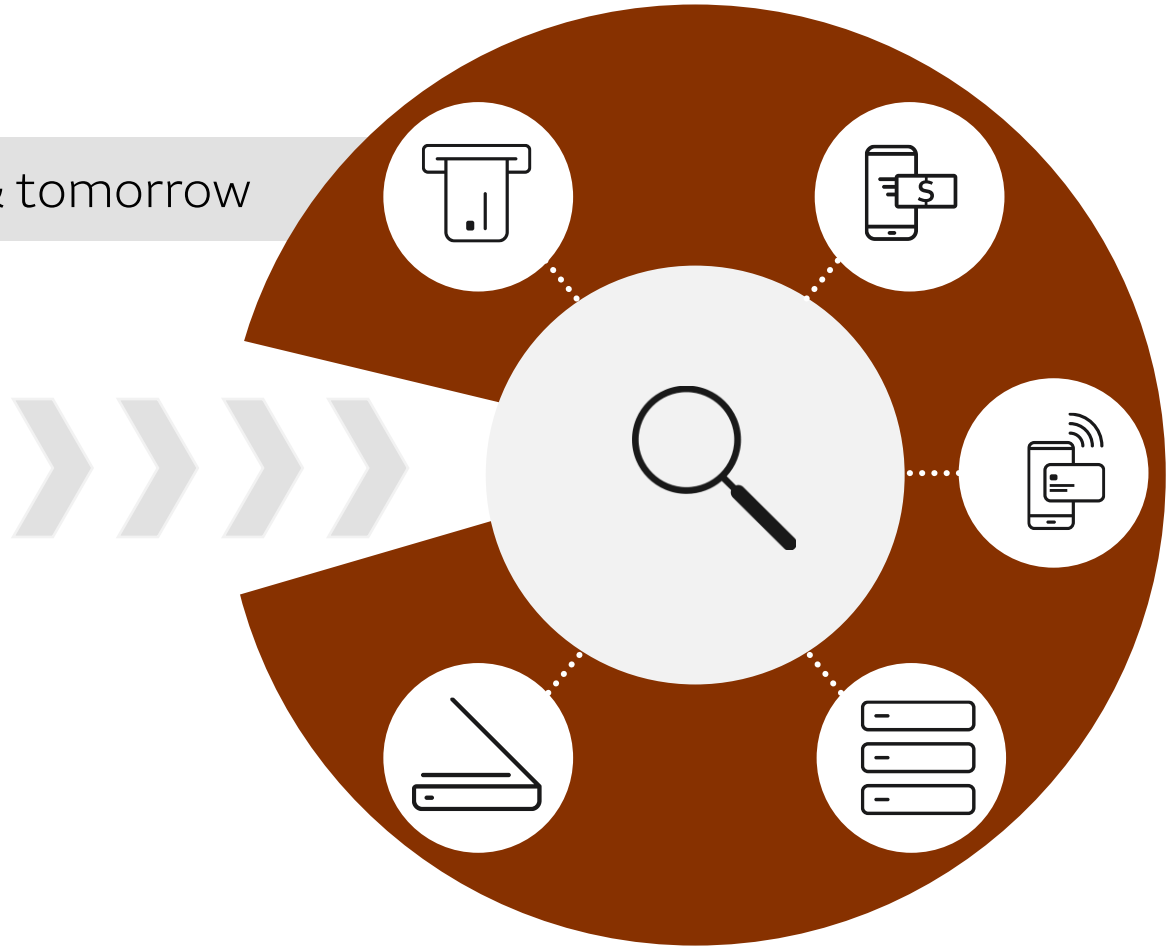
Readiness





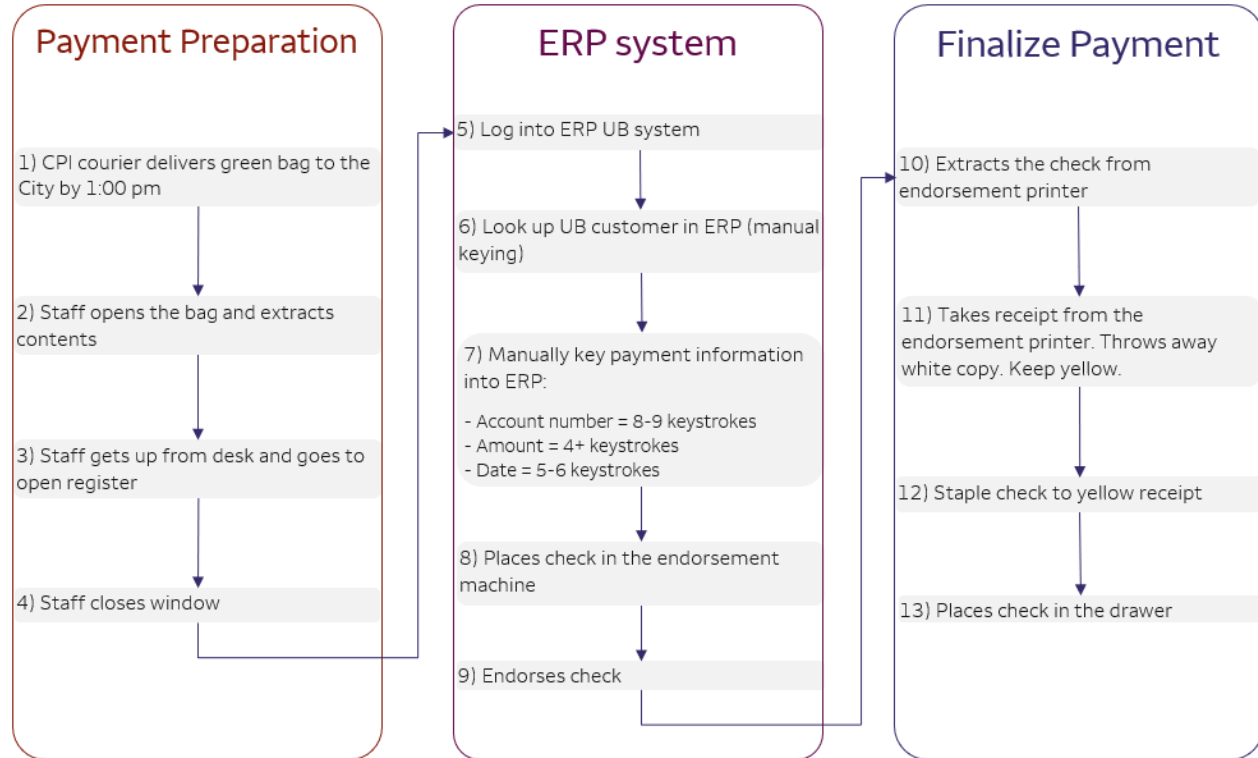
# Assessment

Planning for today & tomorrow



# Business process assessment

## Process Flow



# Business process assessment

## Observations

### General

- Manual processes for non-standard payments (Bill pay, multis, etc.); too many steps
- Can be greater than 100 items in a single day

### Workspace

- Down to two registers at the front desk (COVID related)
- Staff can only process UB payments at the counter
- Walk-ins cause potential interruption points during processing

### Time & Material

- Payments can take up to 1 minute+ to process (times X number per day)
- Second copy of receipt serves no purpose (thrown away)

### Customer Service

- Staff appear available to public while processing items

# Business process assessment

## Recommendations

### General

- Create efficiencies by rethinking how non-standard payments are processed
- Use automation and other electronic means of processing

### Workspace

- Allow for staff to process from their workstations
  - Move or purchase additional endorsement printer
  - Endorsement stamp?

### Time & Material

- Reduce number of paper items through
  - Lockbox: See lockbox process recommendations
  - E-box: “Scrub” payments; look-up file

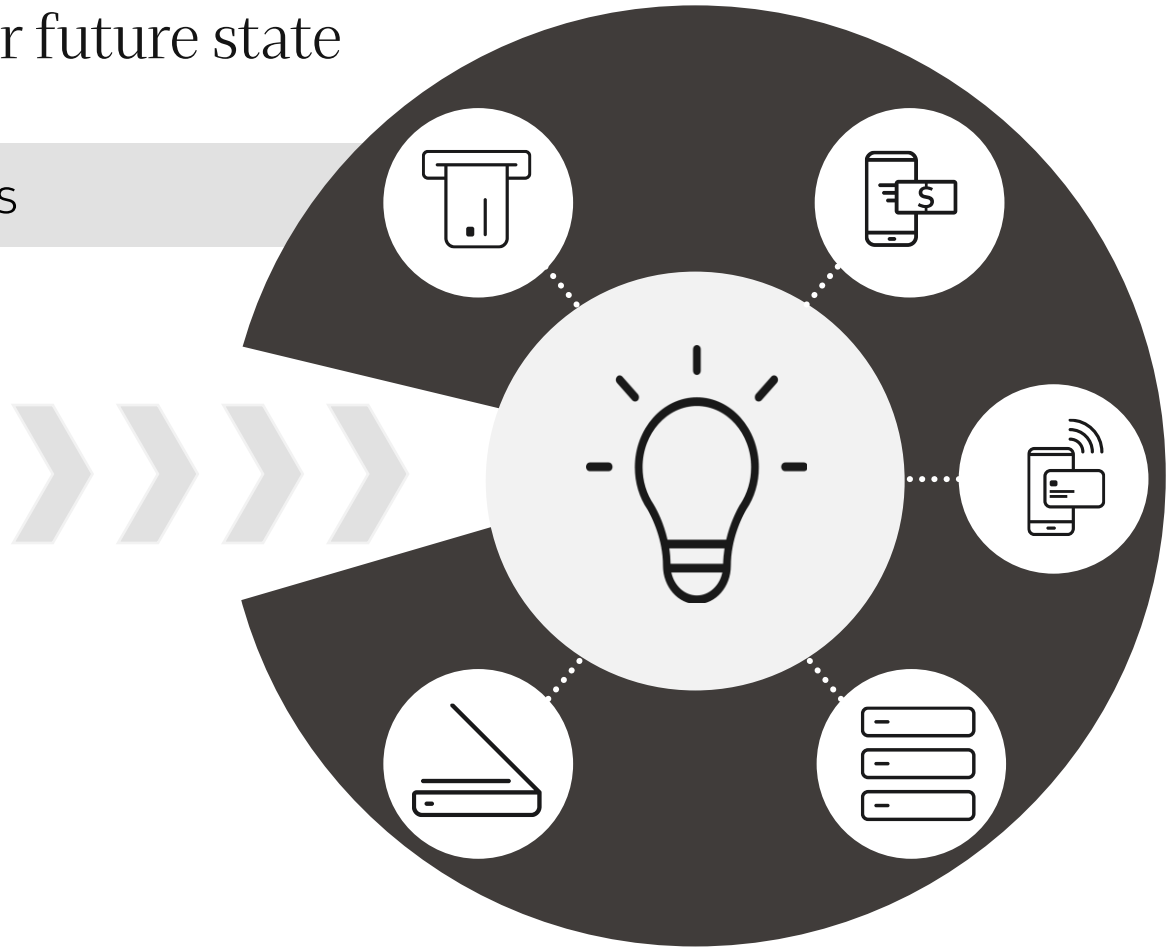
### Customer Service

- Reduce interruptions by allowing staff to work from their workstations rather than at the counter.



# Innovation for your future state

Doing more with less



# Innovation for your future state

Innovation can be relative

1

**Core treasury  
management**

2

**Electronification**

3

**Automation and  
Integration**

# Innovation for your future state

## Paper/Manual to Electronic to automation

### Paper/manual

- Check collection and payments
- Branch deposits
- Mailed Statements
- Manual keying

### Outsource

- Lockbox
- Cash Vault

### Electronic

- Online ACH
- Remote deposit
- Online bill presentment and payment
- Online reports

### Automated

- ACH file
- Image cash letter
- Electronic Lockbox
- Positive pay

# Innovation for your future state

## Integration



# Innovation for your future state

## Consolidated receivables

- ACH credits and debits
- Remote deposit / Image cash letter
- Electronic lockbox
- Online bill presentment and payment
- Incoming wires
- Lockbox
- Real-time payments on the RTP® network
- Payment gateway

Receivables  
Manager

Standard or  
custom file

ERP or AR  
system

Incoming  
receivables  
data

Data  
aggregated  
and  
formatted

Receives and  
processes file

# Consolidated receivables file potential benefits

## Time savings



Improve  
receivables  
posting efforts

Automating can help you post your payments faster and reduce errors associated with manual processing.

Reallocate staff  
time

Focus on collections or other value-added activities.

## Hard dollar savings



Receive more  
electronic  
payments

Once processing efficiency has improved, transition your revenues from costly paper checks to electronic payment methods.

Reduce paper  
processing  
costs

Reduce or eliminate reliance on paper printouts and paper backup for accounts receivable activity

# Innovation for your future state

## Consolidated payables



The diagram illustrates a three-step process for consolidated payables. Each step is represented by a colored circle with a thick border, sitting on a matching colored horizontal bar. Below each bar is a light gray rectangular box containing descriptive text. The steps are: 1. Integrate (red), 2. Send (purple), and 3. Receive (dark blue).

Integrate

directly with your  
ERP system

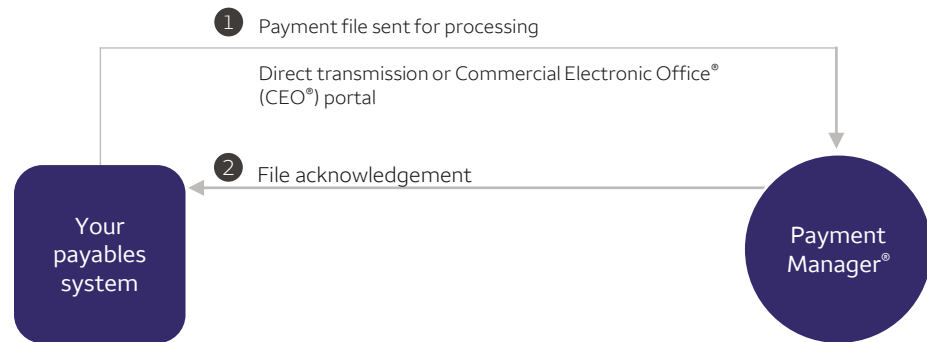
Send

one payment file including  
addenda and remittance

Receive

consolidated payment and  
reconciliation information\*

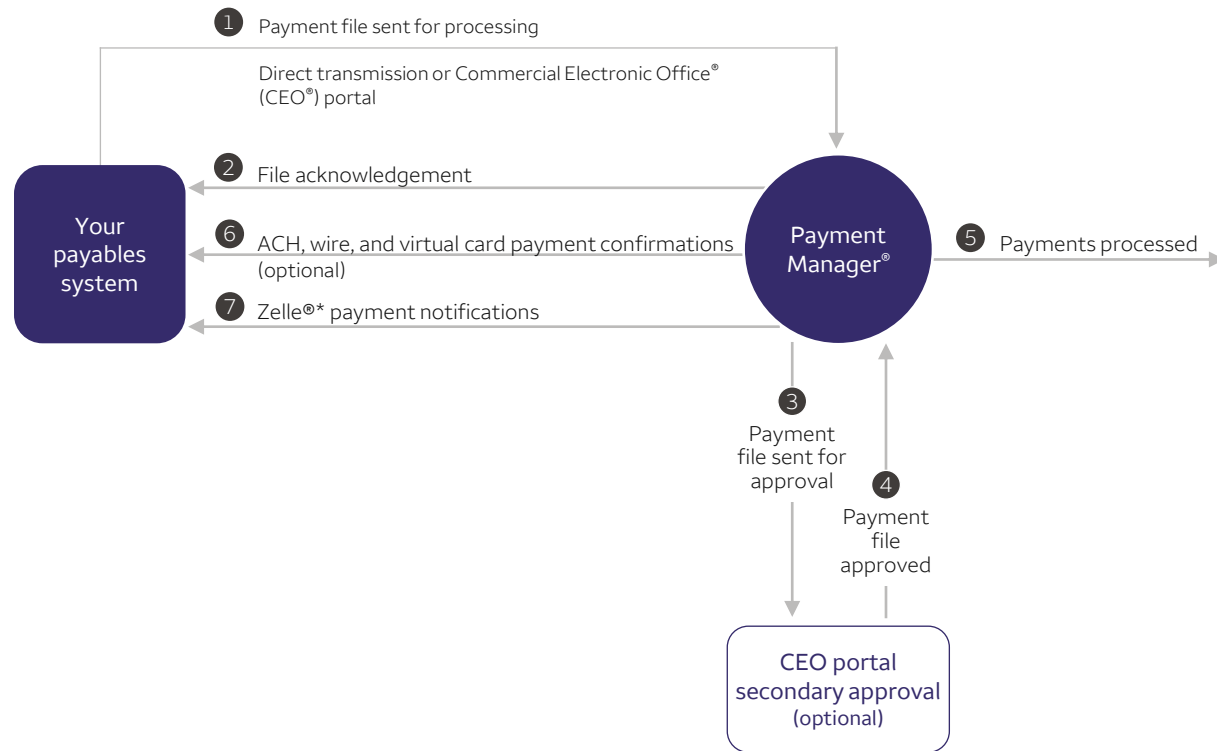
# Consolidated payables solution workflow



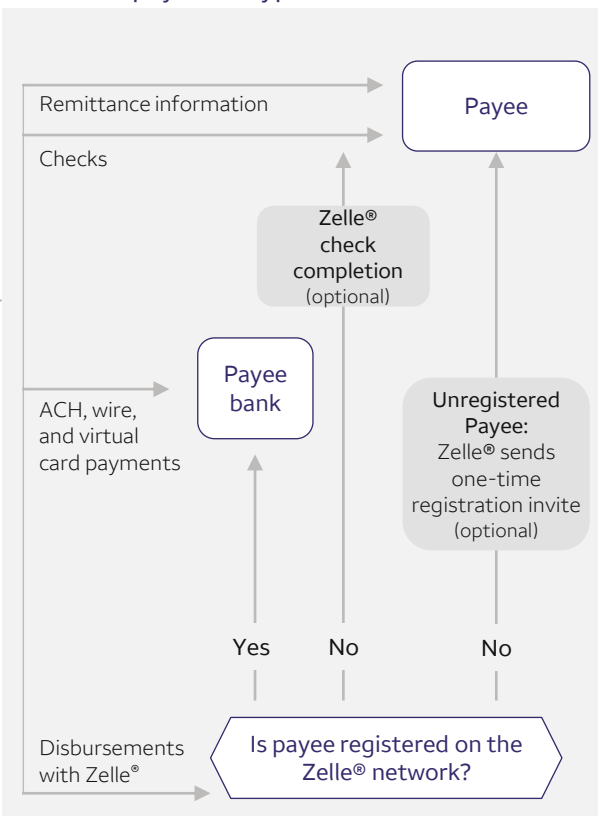
You do  
steps 1 and 2  
and automate  
the rest



# Consolidated payables solution workflow



## Available payment types



# Overview of TM Application Programming Interfaces (APIs)

## Set of programming instructions

One software application asks another to perform one or a series of tasks

## Always on and communicating

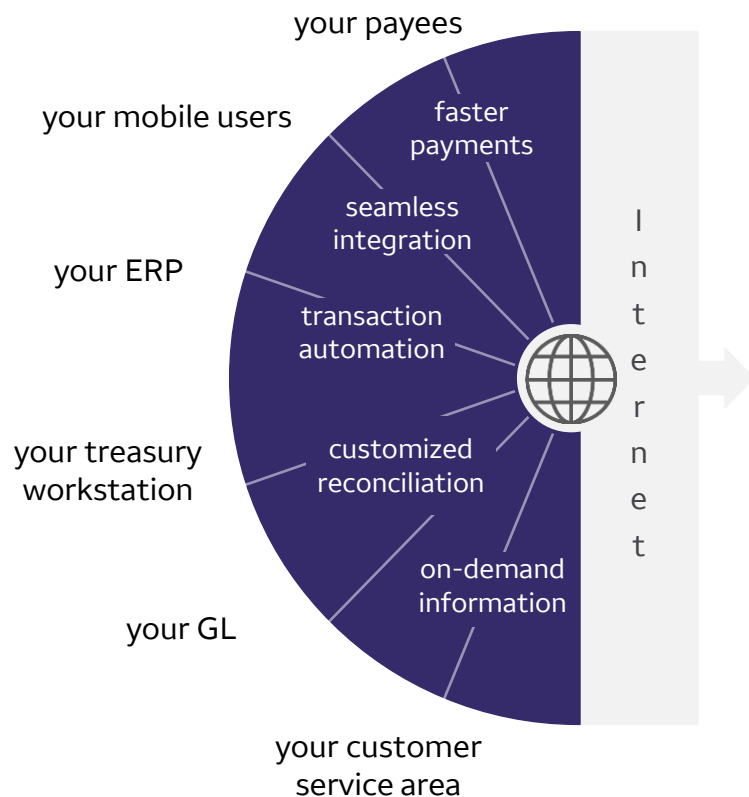
On-demand

## Enables direct communication between back-office systems

Examples: corporate-to-bank or bank-to-cloud ERP



# API channel: Think outside the bank



## Data and reporting services

Account aggregation

Account balance

ACH file and batch status<sup>1</sup>

ACH exception reporting  
(webhook only)<sup>1,2</sup>

Account Validation Services (AVS)

AVS Logic Box

Image retrieval

Transaction detail

## Payments and receivables services

ACH Payments

Push to Card with or without  
Secure Capture

RTP<sup>®</sup> Services<sup>1,3</sup>

Wire Payments

1. Available subject to applicable product eligibility requirements.

2. A webhook is a push notification that Wells Fargo sends to a URL that you provide. It alerts you of payment or transaction-related events.

3. RTP<sup>®</sup> is a registered service mark of The Clearing House Payments Company L.L.C.

# Account Validation services

## Potential benefits

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### Help catch fraud

Verify name, address, and date of birth — and other information like social security number or tax or government ID — so you don't fall victim to account takeover.

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### Meet regulatory obligations

Comply with the National Automated Clearing House Association (Nacha) rule that requires ACH originators to have a tool in place to detect fraud.

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### Reduce administrative returns

Help avoid returned payments by confirming whether a deposit account is open, active, and potentially low- or high-risk.

## We work with the best in the business\*

Early Warning Services maintains the National Shared Database — a nationwide database of accounts from a vast network of financial institutions. Wells Fargo is a partner and part owner, which gives our customers direct access to more than 600 million records on account owners and authorized users.

\* Nacha, Excellence in Payments Award, 2019

# Your ERP roadmap

Implementation

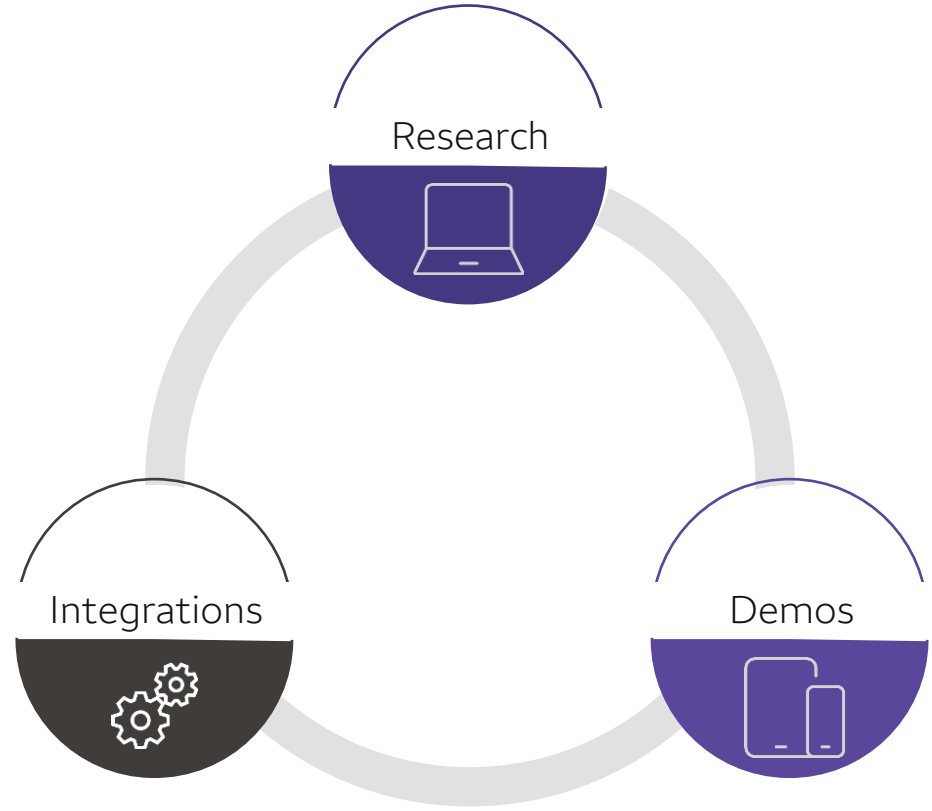
Readiness

Selection



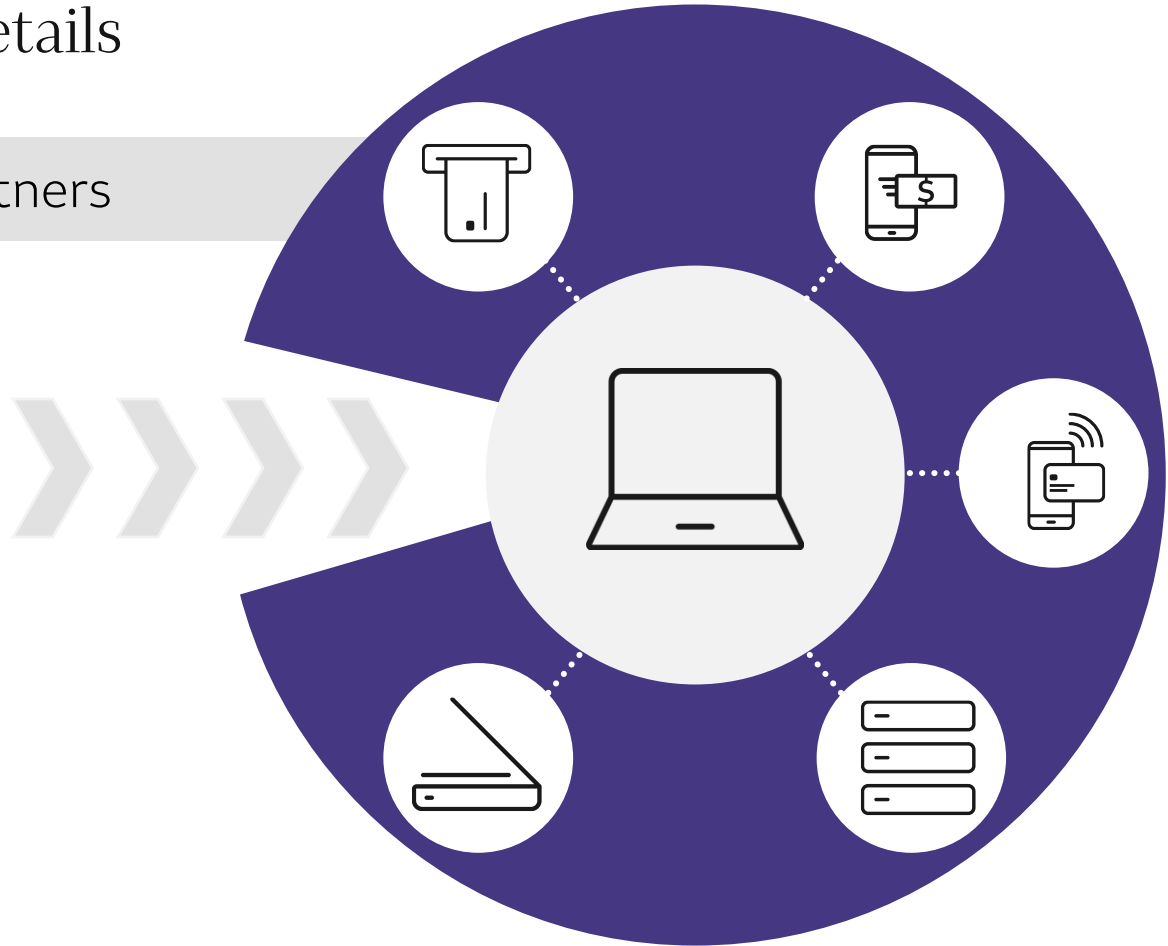
# Getting ready for the transformation journey

## Selection



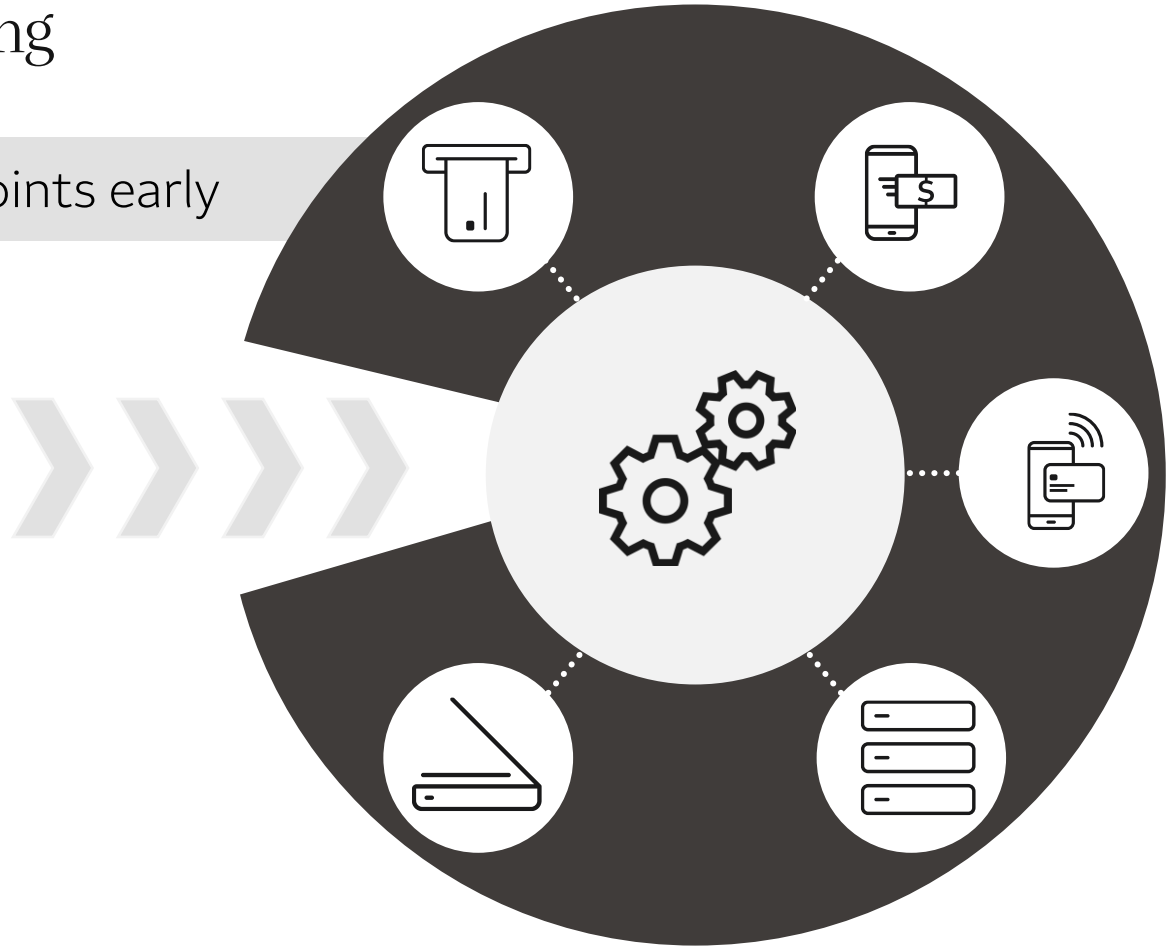
# Researching the details

Leveraging your partners



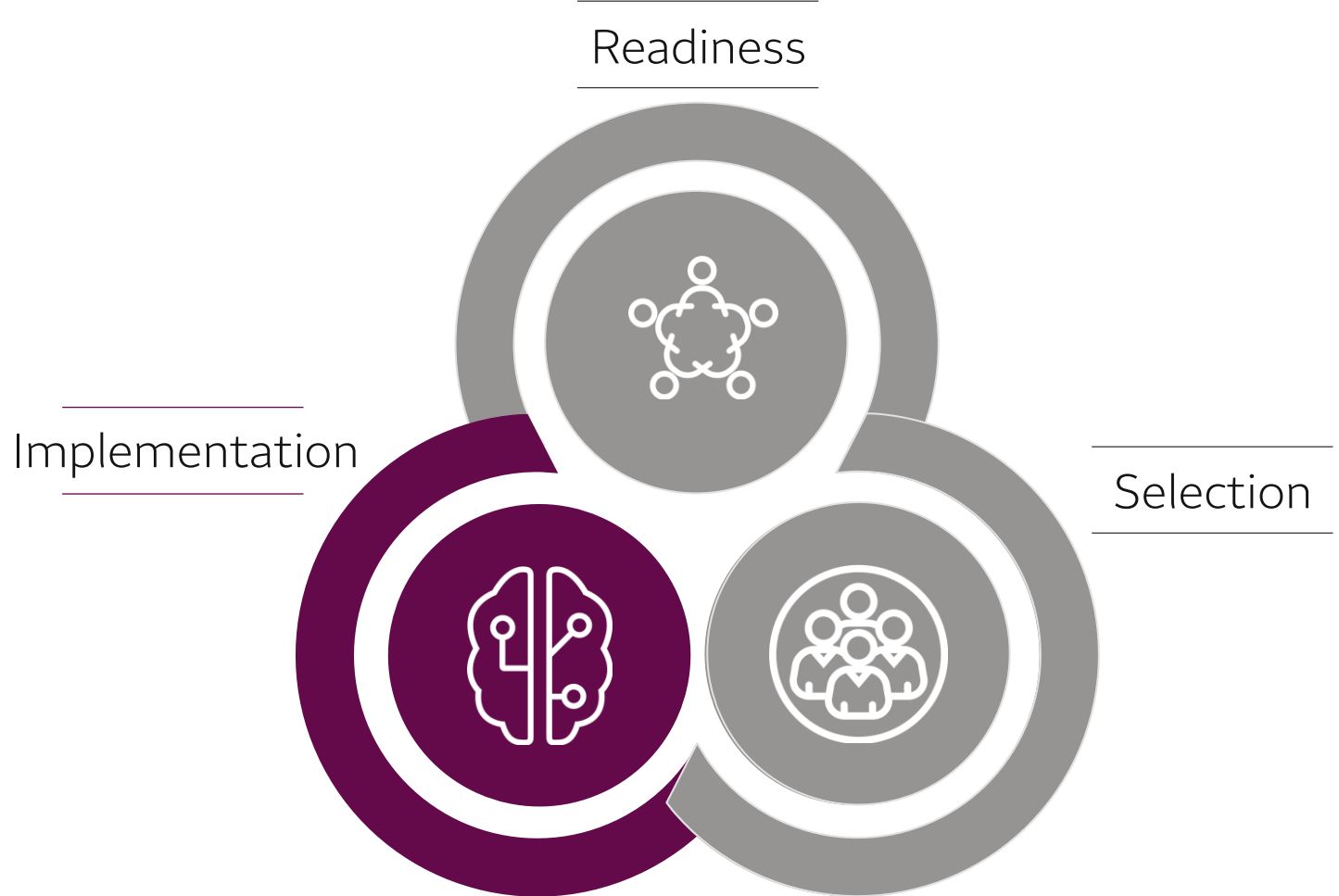
# Integration planning

Identifying touch-points early



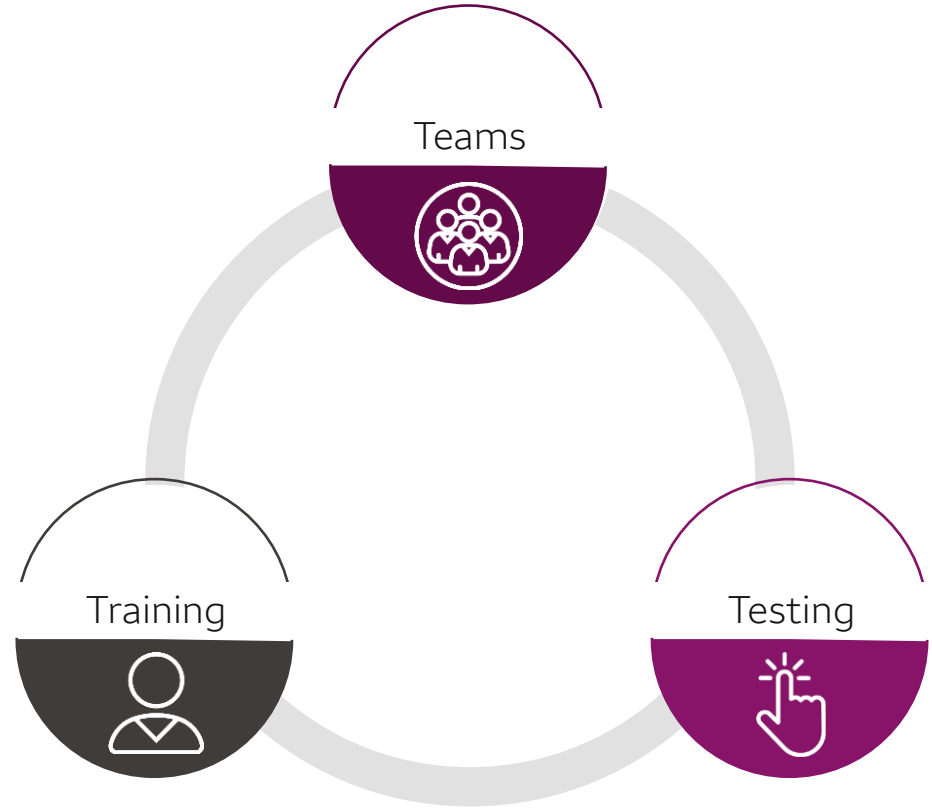


# Your ERP roadmap



# Getting ready for the transformation journey

## Implementation



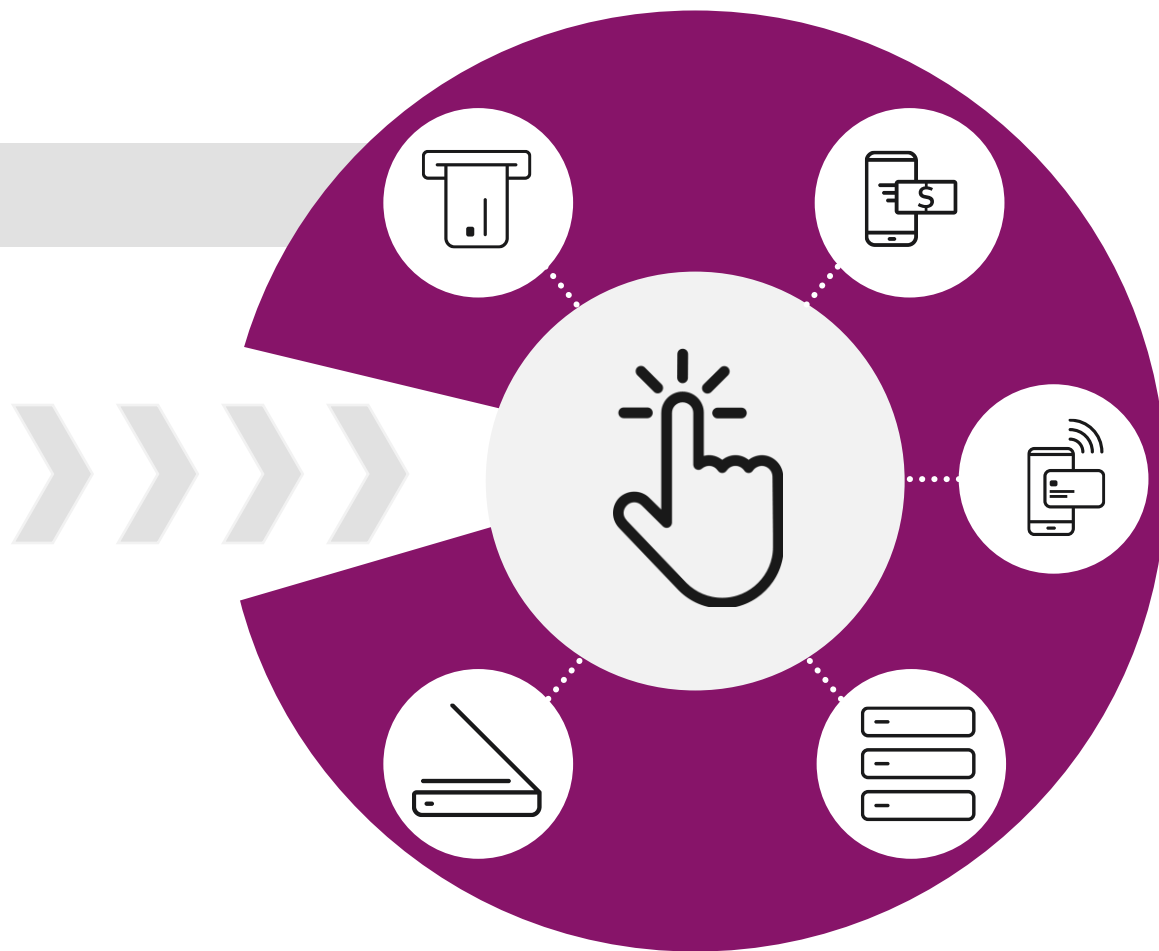
# Team formation

Stakeholders + Cheerleaders



# Testing

Do it and do it right



# Testing

## Check/MICR

- MICR alignment
- Payee field
  - Backgrounds and watermarks

# Testing

## Positive Pay

- Web portal
  - Excel/CSV?
- Transmission
  - Checking account's format
- Payee name

# Testing

## Direct ACH

- Nacha format
- Specifications
- User Guides
  - Like Terms
- SEC codes: CTX

# Testing

## Lockbox/e-box

- ERP posting requirements
  - What data?
- Scan line
- Bill pay
- Lookup file
- Update instructions
- Decision tools



# Testing

## Reconciliation

- Online
  - Configurable Excel or CSV
- Bank Administration Institute (BAI)
  - Daily/monthly
  - Custom?

# Testing

## Transmission

- Drop points or folders
- Browser (manual)
- Automation
  - Protocols

Does the **ERP** journey ever end?



# Maximizing your ERP ROI

## Evolving with your ERP

1

**Upgrade** planning  
for innovation and  
maximizing your ROI

2

**Education** planning  
for a smoother  
workflow

3

**Process innovation**  
planning via collaborative  
partnerships



What would make things **better** for you?





Treasury  
Management

Thank you