

## How Hard is it to Switch to EFT?

Hi John:

I've been considering switching from paper check drafts to EFT. From our previous conversations and your website I am convinced that one-copy EFT is the way to go. However, I seem to have conflicting information on how your software and EFT service works, so here are some questions:

- I purchase TFW software that takes member bank info from GoFigure and sends it to the bank/EFT service when the payment is due. (please confirm)

Right.

- I don't have to re-enter all the member's bank info into another form/format/spreadsheet. (please confirm)

Right, TFW pulls your latest banking info at the start each time you draft.

- Are the spaces in the member's account number significant? (I'm checking each member's info against the actual account numbers and want to be sure I do it right.)

Yes, they have to come out. TFW does that for you.

- How much is your EFT service? (I have two different numbers...one says \$19.95 per month plus .12 per transaction plus \$2.50 per returned item and the other says something different.)

That's right. The price has come down, so you may have higher numbers from the past.

- Are there any batch fees? (For example, if I submitted every two days there would be a batch fee for that submission--motivating me to only submit 3 or 4 times a month.)

No batch fees. You can draft umpteen times a day without paying extra.

- Does the payment work pretty much the same way the monthly credit card drafts do? That is, we review the list of CC drafts due and the check off the ones we want to submit (so we can skip any that we want to hold a few days, for example)? If we hold one a few days, does it still appear on the list so we can submit it later?

Yes, just the same, so you don't retrain. [That is, TFW Direct Debit looks and acts like TFW Credit Cards.]

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- As with CC drafts, the EFT drafts can wait a few days until I (or a designated staff member) gets to the club to perform the deposit?

Yes.

- If we make a mistake and draft somebody we weren't supposed to, can we make the correction? (My concern here is that GoFigure is notoriously bad about not trying to re-charge those who made a check draft exchange.)

Yes, at the website you can void transactions if you catch them before they go out, or you can copy a transaction and flip debit to credit so the second offsets the first.

- Can I take EFT for anything other than monthly drafts/dues? (I'm really not sure what I'm asking here...) I guess I want to know is whether we could use EFT for, say, an initial payment or a product sale. I'm not sure why I'd want to do that anyway.

Yes, at the website you fill out a check on screen, using the member's information. If you take a year prepay that way, it costs twelve cents instead of eight or ten dollars by card.

- How do returned items work? I assume it means NSF, acct closed, and the equivalent of stopped payment. (Although presumably it would also apply to account number incorrectly entered.) How am I notified about them?

You get an email when an item is returned. A returned item report at the site gives a reason code (such as R01). You can resubmit the returned item from the website, or copy it to a new transaction at any time.

- How does this work with Cybrcollect? Are returned items automatically forwarded to Cybrcollect for payment or do I have to initiate the action on a per-member/returned item basis? My understanding is Cybrcollect does not charge me but keeps the service fees they get from the member (and I get the payment, when received).

I've been describing the AllianceACH service. CyberCollect has an EFT service called DepositExpress. DepositExpress is newer, without some of these features.

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Cybercollect makes its money from member penalty fees, not from you. You forward items to them for action.

- Do we need to notify members that we are changing from paper drafts to EFT? (I'd bet most don't get cancelled checks with their statements anyway.)

No, your current authorizations apply either way.

- My bank account is in the name of my LLC but it would probably be preferable if the EFT showed as Curves on their statements. Is that possible?

Yes, you control that with a TFW setting.

- Do we need to notify members that we will be using Cybrcollect?

Up to you. I don't think that's required. But a small sign at the front desk might head off a lot of returned items in advance.

I was going to follow up with Cybrcollect to see how it would be used with an EFT service other than DepositExpress.

For CybrCollect, you forward contact information along with the transaction information. They prefer to chase every returned item themselves, immediately and automatically (for the fees, I suppose), but they also accommodate owners who want to use collections as a last resort, case by case.

We send drafts to both DepositExpress and AllianceACH, your choice. You can use CybrCollect without using DepositExpress. Any EFT service improves your collection rate, because returned items are found sooner, are cheaper, and are easier to retry. We've had people start the CybrCollect option and then stop, or scale it back to the occasional case. We recommend AllianceACH for its lower cost and extra website features (reports, webchecks. copy-transactions, search...), but we have many happy DepositExpress users too.

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My current task is to verify that all the bank acct numbers in GoFigure are accurate (we never worried about it before, and I'm finding a number of errors). I'm guessing this will take me another week, minimally...

You can also let TFW and AllianceACH help check account numbers. TFW "repairs" account numbers that have spaces or hyphens or such. AllianceACH has NOC reports (Notice of Change) that give you the correct routing number or account number in many cases.