The Commonwealth of Massachusetts
Department of Revenue
Child Support Enforcement Division

Thank you for your interest in transmitting child support payments to the Massachusetts Child Support Enforcement State Disbursement Unit via EFT/ EDI (Electronic Funds Transfer/ Electronic Data Interchange).

Child Support Enforcement can accept electronic payments through the Automated Clearing House (ACH) banking network. You can remit funds and case information through the ACH network using the National Automated Clearing House Association (NACHA) CCD+ or CTX format.

The remainder of this packet provides you with the steps to implement EFT/ EDI. Should you have any questions, you may contact us at 781.917.0050, option 2 or visit our web site at https://ma.smartchildsupport.com.

We appreciate your continued efforts that contribute to the success of the child support program.

What is EFT/ EDI?

EFT/ EDI is the process of sending (child support) payments electronically through the ACH (Automated Clearing House) banking network, a government facility that coordinates these types of transactions.

EFT (electronic funds transfer) refers to the sending of money electronically, while EDI (electronic data interchange) refers to sending (electronically) the case information that is required in order to post the payment and credit the non-custodial parent.

How does EFT/ EDI work?

1. Your company electronically transmits the payment and remittance information to your financial institution.

2. Your financial institution originates the ACH entries required to transfer child support withholdings via the ACH network to the financial institution that the Massachusetts Child Support Enforcement State Disbursement Unit (MA CSE SDU) uses to collect the funds.

3. The MA CSE SDU electronically collects your payment and remittance information for processing.

How does my company benefit from EFT/ EDI?

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.

• Reducing the possibility of theft or fraud.

There are four steps to implementing EFT/ EDI for child support withholdings:

1. Submit identifying employee information (name, case number, social security number) to the MA CSE SDU for reconciliation.

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

3. Coordinate with your financial institution to set up the file transfer process.

4. Test the process with your financial institution and the MA CSE SDU.

1. Submit identifying information to the MA CSE SDU for reconciliation.

It is important that the identifying information you submit with child support withholdings match the identifying information in the Commonwealth of Massachusetts's child support computer system. If the information does not match, there may be a delay in processing the child support withholdings.

To ensure families receive support payments in a timely manner, identifying information must be reconciled against the State's child support computer system **prior** to transmitting child support withholdings via EFT/ EDI. This process can be accomplished by registering at https://ma.smartchildsupport.com and selecting EFT/ EDI as your payment method. The site will then step you through the reconciliation process. If you need further assistance you may contact us at 781.917.0050 and ask to speak with our Employer Outreach Coordinator.

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

To implement EFT/ EDI, your payroll system or other computer system must be able to create the data structure to build the ACH file that you will transfer to your financial institution. The *User Guide for Electronic Child Support Payments: Using the Child Support Application Banking Convention* prescribes the appropriate formats and standards for transmitting EFT/ EDI child support withholdings. You can download this publication at www.nacha.org. Key child support in the Search field on NACHA's website. The materials in this packet have been adapted from this guide.

There are software applications that accommodate the required data (your existing payroll system may already offer this function). You can also contact your financial institution regarding available ACH software.

3. Coordinate with your financial institution.

Contact your financial institution to determine its capabilities and requirements. In most cases, they are already accustomed to receiving and sending EFT/ EDI transmissions. You may need to complete an agreement with your financial institution that authorizes you to transfer EFT/ EDI child support withholdings to the MA CSE SDU.

4. Test the process with your financial institution and the MA CSE SDU.

Conduct a test transmission

After you complete any 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. You should continue to test the process until both you and the financial institution are satisfied that the information is being transferred completely and accurately.

Conduct a prenotification (prenote)

After perfecting the transmission of child support withholding information between you and your financial institution, contact the MA CSE SDU at 781.917.0050 to arrange a prenote prior to your first actual transmission. A prenote simulates a future live transmission and is used to ensure the banking information included with the transmission is correct. The prenote contains zeros in the amount field to make certain that no funds are transferred during this test.

The following record formats are used to convey entries through the ACH network:

- File Header Record—Record 1

- Company/ Batch Header Record—Record 5

- Entry Detail Record—Record 6

- Addenda Record—Record 7

- Company/ Batch Control Record—Record 8

- File Control Record—Record 9

An ACH file begins with a **file header record (1)** and ends with a **file control record (9)** which serves to facilitate transmission, identification, and balancing of the file.

The file may contain one or more unique batches each starting with a **company/ batch header record (5)** and ending with a **company/ batch control record (8).** These records contain information specific to all of the entry detail records within that batch. Your company can send multiple batches in the same file. This gives you the opportunity to group your transactions in various ways; for example, by division, location, payroll frequency.

The heart of the ACH file consists of the **entry detail record (6)** and the **addenda record (7).** The entry detail record contains the information necessary to transfer the funds from your financial institution to the MA CSE SDU's financial institution. The addenda record is used to supply information about your employee and how to apply the child support payment. Each addenda record includes an 80-position payment-related information field within which this remittance detail is transmitted.

There are two types of payment formats that your company can use: CCD+ or CTX. You will need to check with your financial institution to see if it supports these types.

The remainder of this packet contains the following:

- Entry Flow

- CCD+ Entry Detail Record Layout—Record 6

- CTX Entry Detail Record Layout—Record 6

- Addenda Record Layout—Record 7

- CCD+ DED Child Support Segment/ Convention for Employers

- DED Data Element Definitions

The record formats for **CCD+** 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)
  Company/ Batch Control Record
File Control Record

The record formats for **CTX** 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 information field)
      Addenda Record
      Addenda Record
    Entry Detail Record
      Addenda Record (up to 9,999 addenda with 80 byte payment related information field)
      Addenda Record
      Addenda Record
  Company/ Batch Control Record
File Control Record

Note: The CTX must contain a fully formatted ASC 820 transaction set, which includes all envelopes, table 1, and table 2 which can contain multiple DED loops. The syntactically correct ASC 820 is then broken into 80 byte segments embedded in the CTX 07 addenda records.

Field	Data Element Name	Field Inclusion Requirement	Contents	Length	Position	Description
1	Record Type	M	6	1	01-01	Constant "6"
2	Transaction Code	M	Numeric	2	02-03	22
3	Receiving DFI Identification	M	TTTTAAAA	8	04-11	MA CSE SDU will provide after data is reconciled
4	Check Digit	M	Numeric	1	12-12	MA CSE SDU will provide after data is reconciled
5	DFI Account Number	R	Alphanumeric	17	13-29	MA CSE SDU will provide after data is reconciled
6	Amount	M	$$$$$$$$cc	10	30-39	999999v99 **Credits Only**
7	Identification Number	O	Alphanumeric	15	40-54	
8	Receiving Company Name	R	Alphanumeric	22	55-76	MA_Child_Support
9	Discretionary Data	O	Alphanumeric	2	77-78	
10	Addenda Record Indicator	M	Numeric	1	79-79	1 (there must be one addenda record for each entry detail record)
11	Trace Number	M	Numeric	15	80-94	Assigned by the originating bank

Field Inclusion Requirement

M: mandatory for the ACH network.

R: required for this application.

O: optional for the ACH network but may be required by the child support agency.

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4	Check Digit	M	Numeric	1	12-12	MA CSE SDU will provide after data is reconciled
5	DFI Account Number	R	Alphanumeric	17	13-29	MA CSE SDU will provide after data is reconciled
6	Total Amount	M	$$$$$$$$cc	10	30-39	999999v99 **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	R	Alphanumeric	16	59-74	MA_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 (there may be up to 9,999 addenda records for each entry detail record)
13	Trace Number	M	Numeric	15	80-94	Assigned by the originating bank

Field Inclusion Requirement

M: mandatory for the ACH network.

R: required for this application.

O: optional for the ACH network but may be required by the child support agency.

Field	Data Element Name	Field Inclusion Requirement	Contents	Length	Position	Description
1	Record Type Code	M	7	1	01-01	7
2	Addenda Type Code	M	05	2	02-03	05
3	Payment Related Information	R	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	Numeric	7	88-94	Matches item number part of "trace" number

Field 3: Payment Related Information

This field contains the remittance information for each payment. The layout for this field is on the next page; CCD+ DED Child Support Segment/ Convention for Employers.

Field Inclusion Requirement

M: mandatory for the ACH network.

R: required for this application.

Data Element	Comments	Contents	Attributes		
			1	2	3
	Segment Identifier	DED	M	ID	3/3
DED01	Application Identifier	CS	M	ID	2/2
DED02	Case Identifier	XXXXXXXXX (employee's case number)	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	XXXXXXXXX (employee's SSN)	M	AN	9/9
DED06	Medical Support Indicator	Y=Yes; N=No	M	AN	1/1
DED07	Non-custodial Parent Name	XXXXXXXXXXX	R	AN	1/10
DED08	FIPS	0250000	R	AN	5/7
DED09	Employment Termination Indicator	Y=Yes	R	AN	1/1

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 (DED) data segment as used in the payment related information segment of the 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 "\".

DED01 Application Identifier—the type of deduction being withheld from the employee's pay. The value for this field is always "CS" (child support). This is a mandatory field.

DED02 Case Identifier—the employee's case number. This is a mandatory field.

DED03 Pay Date—the date that your company will deduct the child support from the employee's pay. This date must be equal or prior to the date that the EFT/ EDI transaction reaches the MA CSE SDU. The date is expressed in the format: year, month, and day. This is a mandatory field.

DED04 Payment Amount—the amount that your company will withhold from an employee in compliance with an income withholding order or notice. 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 is a mandatory field.

DED05 Non-Custodial Parent SSN—the social security number of the employee for whom you are withholding child support. This is a mandatory field.

DED06 Medical Support Indicator—identifies whether your company offers family medical coverage to the employee. Place a "Y" in this field if family medical insurance is available; if there is no coverage available, place an "N" in this field. Please note the question is, "Does your company **offer** family medical coverage for this employee?" **not** "Does the employee **have** family medical coverage?" This is a mandatory field.

DED07 Non-Custodial Parent Name—the first seven (7) letters of the employee's last name, followed by the first three (3) letters of his or her first name. A comma must be used to separate the last name of the employee when the last name is less than seven (7) characters. Do not enter more than ten (10) positions even if you do not have enough room for the full name. In most cases you will not be able to fit the full name in this field. This is a required field.

DED08 FIPS Code—federal information process standard (FIPS) code. This field should always contain "0250000." This is a required field.

DED09 Employment Termination Indicator—notifies the child support agency that an individual's employment has terminated. Place a "Y" in this field if the individual is no longer employed at your company, or if this is the last pay period that the individual will be employed at your company. This is a **required** field if the employee is no longer employed at your company. "Y" is the only value that has any meaning in this field.

Note: Please do not place a "Y" in this field when an employee is on temporary leave. If an employee is on temporary leave, it is not necessary to submit a record 6 and 7 for that individual until they return to work and you begin withholding once again.