SchoolLeader
Electronic Payment Procedures Handbook

Version 1.0

Technical Support

1-800-858-8570

Payment Support

1-888-892-1212

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Check Payments via iStream Imaging

Authorization Procedures

With SchoolLeader the personnel at the Day Care can scan and deposit US Based checks electronically from guardians. The SchoolLeader system will virtually endorse each check automatically when scanned so you no longer need to stamp the endorsement on the back of each check you are depositing. Checks scanned will not require customer authorization since these checks are cleared as checks through check clearing networks

Will this process affect the guardian's bank account differently?

No. Your guardians will continue to see the debit for the check transaction as shown on their bank statements today.

However, there is a potential that the electronic check will be reconverted to paper in the settlement process by another bank. If that occurs your customer may see a Substitute Check (Image Replacement Document) that will have the image of their original checks and some additional banking information around it as shown below. By Check 21 Law, this check is the legal equivalent to the original check item scanned.

Substitute Check Example

Ineligible Items

Check items not eligible for electronic deposit are:
- Checks drawn off a foreign bank
- Checks in a foreign currency

Acceptable Check Types

1. Consumer Checks
2. Business Checks
3. Corporate Checks
4. Government Warrants
5. US Treasury Checks
6. Money Orders
7. Controlled Disbursement Checks
8. Payable Through Drafts
9. Traveler's Checks

What happens with the Original Paper Checks?

Daily, take your check payments and securely store them in limited access location. These checks have been deposited through iStream Deposit® and should be destroyed in 2 weeks.

NOTE: Do not take these items to the bank for deposit. They have already been deposited.

ACH Payments via iStream Imaging

ACH Written Authorization Requirements

The personnel at the Day Care signing up the guardian for Pre-Authorized Electronic Payments to the Day Care will adhere to the following steps:

- The Primary Guardian must be present.
- The Primary Guardian will complete and sign the **Authorization Agreement for Direct Payments (ACH Debits).**
- The Primary Guardian will provide a **Voided Check** for verification of the Routing and Account numbers.
- Enter the information into the Primary Guardian's "Electronic Banking" tab to activate automatic payments.
- Provide the customer with a copy of the completed authorization for their records.
- Securely file the completed authorization form for 2 years beyond the life of the payments.
- Provide notification to the Primary Guardian at time of setup (**Customer Notice of Debit**).

Sample Written Authorization

Below is a sample of the Written Authorization document each guardian must complete and sign to have recurring ACH Debits from their account be set up.

```
Merchant Name:    _____

     Address:     _____

                  _____

       Phone:     (____)_____


RE: ACH Authorization for Recurring Charges
In consideration of the services provided to me by _____, hereinafter called
MERCHANT, I hereby authorize MERCHANT to initiate a debit entry to my account indicated
below at the depository financial institution named below, hereinafter called DEPOSITORY, and
to debit the same to such account for the amount and frequency listed below. I acknowledge that
the origination of ACH transactions to my account must comply with the provisions of U.S. law.

Depository Bank Name:
_____
Branch (City, State, Zip):
_____

Account Number: _____ Routing Number: _____

[ ] Checking     [ ] Savings

Amount: $ Based on Fees owed as provided _____

Frequency: [ ] Daily [ ] Weekly [ ] Every Other Week  [ ] Monthly basis
on the _____

Effective Date: ____/____/_____ (mm/dd/yyyy)

The specific debits to my account authorized herein may only post on or after the EFFECTIVE
DATE listed above, and in no event may the debit transaction post to my account prior to said
date. This authorization is to remain in full force and effect until MERCHANT has received written
notification from me of termination in such time and in such manner as to afford MERCHANT and
DEPOSITORY a reasonable opportunity to act. I may only revoke this authorization by contacting
MERCHANT directly at the address and phone number listed above.

Your Name: _____
(Please Print)

Date: _____

Signature: _____
```

Consumer Notice of Debit

A copy of the **Authorization Agreement for Direct Payments (ACH Debits)** serves as the **Customer Notice of Debit** for all payments. Please provide a copy of the agreement.

General Information

Settlement Timeframes (Check and ACH)

The current processing schedule for checks is Sunday – Thursday, based on the processing schedule of the Federal Reserve. *Processing schedule is subject to change, based upon different clearing agents.

The cutoff time for deposits is typically 8:00 pm CST. For deposits submitted on Friday, Saturday or Sunday (before end of day cutoff) will have a 'post' date of Sunday. Available funds from this deposit will be available on Tuesday.

Posted Deposit (prior to cutoff)	Funds Available
Monday	Wednesday
Tuesday	Thursday
Wednesday	Friday
Thursday	Monday
Friday	Tuesday
Saturday	Tuesday
Sunday	Tuesday

Logging Into iStream Deposit

Simply go to **www.istreamdeposit.com**
Enter your **Username** and **Password**.

Returns (Check and ACH)

The returns are processed every weekday (except for statutory holidays). When the returns are loaded into the iStream Deposit system, they will be immediately available for viewing and working. Using iReturn™, the Day Care will be able to resubmit eligible items, or print out the returns. You can get to iReturn by logging into the iStream Deposit system at www.istreamdeposit.com. Once you've entered your Username and Password, select the "Operations" Tab, then "iReturn"

Customer Name	Transaction Date	Return Date	Amount	Deposit ID	Reason Code	#	View	Re-Present ☐	Manual ☐	Print ☐
Training Account	06/13/06	06/13/06	750.00	62217	NSF - Not Sufficient Funds	1	🔍	☐	☐	☐
Training Account	06/28/06	07/06/06	999.00	73005	NSF - Not Sufficient Funds	1	🔍	☐	☐	☐
Training Account	06/26/06	07/06/06	200.00	71111	Closed Account	1	🔍		☐	☐
Training Account	07/05/06	07/06/06	150.25	77218	Refer to Maker	1	🔍		☐	☐
TOTALS		Count: 4	2,099.25							

Print Choice Return Only ⌄

[Process]

The box to make a selection will only appear if it is eligible for that process.

> **Re-present** means the reason for return is eligible to be send back out in the next clearing file (Typically NSF)

Manual means you are choosing to take this item out of the "Current Returns" queue and will collect on the return in a different manner than resending the item through the electronic process. You will still have access to the information of this item; it will just not be in the "Current Returns" queue.

Print simply means you want to print the image. You have the option to print the 'Return Only', 'Original Only' or 'Both' with the drop down box shown.

Then simply click "**Process**" to complete your selections.

Do I have to use iReturn?

Yes. Simply log into the iStream Deposit® system to review all returns and then update the SchoolLeader system with the return data.

When iStream receives a return, the amount of the daily return will be charged against the Day Care's account. Depending upon your initial account set up, returns can occur either as a separate transaction or as a net settlement against the current day's deposit.

Cleaning and Maintenance

Approximately for every 3,000 to 5,000 items scanned, it will be necessary for you to clean the scanner's rollers, magnetic head, camera faceplate and paper guides. It will improve feeding, MICR read rates and image quality. Periodically you need to manually scrub the rollers with a <u>cleaning swab</u>. This is to remove any build-up on the rollers that can occur over time. Included with your scanner were 5 Cleaning Cards and 3 Cleaning swabs. To obtain more supplies, call 888-892-1212.

Helpful Hints

1. Do not use stickers to cover up previously sprayed numbers on documents. The backing from the stickers can rub onto the rollers and cause documents to jam.
2. Do not use White Out® on scanned documents, the White Out® can rub off the documents onto the scanner camera faceplate and distort the images.
3. Watch for loose debris falling into the scanner such as staples and rubber bands.

Cleaning

1. Optional Step
2. Use compressed air to clean the document hopper as illustrated by the arrows, as needed, if you see a lot of paper dust.

Note: *The Scanlite program, which is available from the Digital Check web site, http://www.digitalcheck.com/12_ss_downloads.html, makes an excellent utility to run while going through the cleaning procedures when using the cleaning cards and swabs. The scan cycles are easy to start and reset. The 'Eject' function makes it easy to scrub off the four main drive rollers with the center cover removed.*

3. Insert a New TellerScan card in the document hopper

4. Open an imaging application that can scan several items. You will want to cancel the transaction after running several scan cycles. This can be the typical application used to run the scanner or one of the Digital Check demo programs available from the Digital Check website. *Important:* Run a scan cycle and hold onto the card, but allow it to move into the path so that the second set of rollers are being properly cleaned.

Note: Getting the rollers to scrub on the cleaning cards is the most important part of the cleaning procedure. Rollers with a severe build up of ink and dirt on the rollers will require use of the swabs or cards to be used to manually scrub all four of the main drive rollers.

5. Flip the card top to bottom and scan the card again, this time letting it move through the scanner into the exit pocket.

6. Turn the card around and repeat the same process of scanning the card several times on the reverse side. Result: The TellerScan cleaning card should be run through the scanner three to four times, periodically flipping the card or swapping it end for end.

Note: The swabs or the cleaning cards should be used to manually scrub off some of the main drive rollers which may have accumulated an abnormal amount of dirt or dust from documents. The swabs are typically used every 3 to 4 normal clean cycles.

7. After completing the cleaning process, cancel the transaction and discard the used TellerScan card.
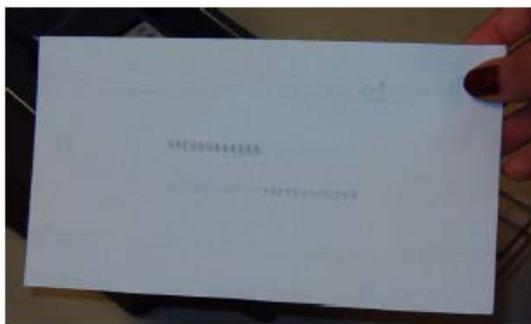
Cleaning Scan Head

1. Pull out the wire document Guide

2. Remove the left side cover.

3. Remove the right side cover.

4. Unscrew the brass screw and gently open the scanner camera faceplates.
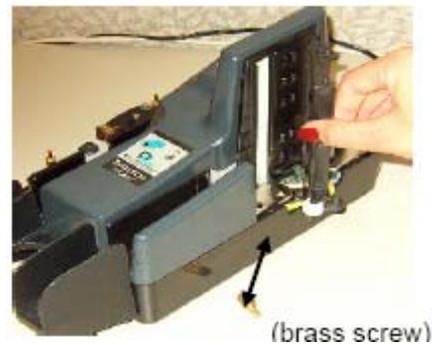

(brass screw)

5. Use the cleaning swab or a clean cloth to wipe the camera faceplate (the two white strips and both sides of the camera faceplate section of the scanner).

6. Reassemble the scanner components by replacing the brass, the screw, right and left cover and the wire document guide.

Troubleshooting
There are three common error codes that can show up depending upon the type of documents being scanned. There are no user available adjustments in the TS210E or TS220E scanners. Periodic and scheduled cleanings should be performed before determining if any further problem determination is needed. See the scanner cleaning document.

Helpful Hints

1. Always hand jog the documents to align the leading and bottom edges. Visually check the leading edges for bent or curled corners and straighten them as needed.

2. Place the stack of documents half way into the entry slot, then slide the stack forward until the Document in Pocket LED light comes on.

3. Be sure that the entry tray is fully seated and that the exit wire stop is extended enough to allow for approximately ½" more than the longest document.

Common Error Codes from the Scanner

Error

216   *Mis-Feed (The documents failed to leave the entry pocket on time.)*

     1.   Remove the documents and re-align the leading edges.

     2.   Check for bent or excessively curled leading edges and straighten as needed.

     3.   Verify that documents are not stuck together.

     4.   Insert and rescan the documents. If you continue to get 216 errors, this might indicate that:

         •   The entry drive roller may be dirty

         •   Something may be lodged in the path

217   *Document Double Feed (More than one document is detected in the path.)*

     1.   Eject the documents to clear the error condition.

     2.   If the document will not eject, grab the upper edges with both hands and wiggle the document back and forth to vertically remove it from the path.

     3.   Thicker single documents that give a false 217 error will have to be manually processed.

     4.   Insert and rescan the documents. If you continue to get 217 errors, this might indicate that:

         •   The entry drive rollers may need to be cleaned

220   *Document Stopped in the path (A document stopped in the path or was slow in exiting).*

     1.   Eject the documents to clear the error condition.

     2.   If the document will not eject, grab the upper edges with both hands and wiggle the document back and forth to vertically remove it from the path.

     3.   Check the leading edges and corners of the document and straighten as needed.

     4.   A 220 error code where the documents are stopping in the path repeatedly could indicate debris, paper or a staple in the path if the document's leading edge looks OK.

     5.   All of the main drive rollers may need to be cleaned.