



# SIMPLIFYING ACH RISK REPORTING

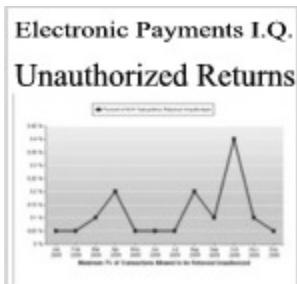
## Announcing the Centrix Payments I.Q. System™

*ACH CALENDAR*

*FILE VALIDATION*

*RISK REPORTING*

New NACHA rules that take effect in June 2010, along with a focused effort by regulators, are forcing financial institutions to be more diligent in knowing their ACH originators and monitoring activity. What these changes are telling the industry is that tighter controls are needed and procedures must be followed. As such, Centrix announces the Centrix Payments I.Q. System™ (PIQS) as a simple and cost effective means of monitoring and understanding ACH origination activity.



According to Tim Schnell, President of Centrix, “Helping banks simplify operations and detect transaction fraud are both at the core of what Centrix has been doing for the past 10 years. PIQS is a natural evolution of this and something we feel will greatly benefit banks of all sizes.”

PIQS is modular, which allows an institution to deploy the applications they need for their processing environment. The two modules within the PIQS suite include an ACH scheduler (origination calendar) and ACH risk monitoring and reporting. Each module can be deployed stand alone, but together provide a comprehensive ACH risk management solution.

*Payments I.Q. (Continued on page 2)*

## TREASURY SERVICES

### CENTRIX CONTINUES TO EXPAND INDUSTRY LEADING TRANSACTION MANAGEMENT PLATFORM

In 2003, Centrix began development of a transaction management system that would enable community banks to compete for corporate business against super-regional and national banks. Since that time, the Exact/TMS™ system has evolved to include many treasury management features that are required by corporate money managers but often go beyond the features of a cash management system. With over 70 financial institutions using the system ranging in size from \$200M to over \$10B, Centrix has received great guidance from bankers whose mission is to service corporate clients. Although initially focused on check positive pay and on-line check reconciliation, the system now offers a broad array of features that allow a financial institution to automate treasury services, including:

- |   |                                   |
|---|-----------------------------------|
| Check positive pay                                | ACH positive pay (filters/blocks) |
| Payee match                                       | Teller positive pay               |
| Check image integration                           | Check & deposit reconciliation    |
| Reverse positive pay                              | BAI2 transaction extract          |
| ACH returns and NOC reporting                     | Single sign-on to on-line banking |
| EDI translation & web delivery of payment details |                                   |

Learn more at [www.centrixsolutions.com](http://www.centrixsolutions.com) or call (402) 488-3990.

### S1 CORPORATION SELECTS CENTRIX

Centrix Solutions and S1 Corporation have signed an agreement for the Centrix Exact/TMS™ check and ACH positive pay system to be the preferred transaction fraud detection solution offered by S1. Under the agreement, S1 account managers will market Exact/TMS™ to financial institutions that use the S1 on-line banking platform. Single sign on functionality has been developed to enhance the user experience.

#### From a Client's Perspective

*“Centrix is one of the most responsive and customer oriented vendors Umpqua Bank works with. We use their Exact/TMS product for positive pay because it is functionally rich, well received by our commercial customers, and easy to support.”*

**John Baker, CCM**  
Senior Vice President & Manager  
Treasury Services & Product Strategies  
Umpqua Bank

## Payments I.Q. (Continued from page 1)

### Integrated ACH Scheduler

The concept of an ACH origination calendar for tracking the ACH files that are scheduled for each day is not a new concept. In reality, however, it is a practice that is largely manual or not done at all due to the effort involved. The PIQS Scheduler incorporates an ACH origination calendar, a daily work queue for back office personnel, reminder emails to originators and activity reporting. The system is a management tool that helps a financial institution ensure that ACH files received from originators are valid and the files that are scheduled to be originated by clients are received on the correct day.

### Real Time File Monitoring

Most financial institutions know what their originators are supposed to be originating, but have nothing more than a daily spreadsheet of totals to insure the company is following the originator agreement. The PIQS Risk Monitoring and Reporting module provides real time monitoring of originated ACH activity, regardless of how the file is submitted to the bank. The system supports multiple input channels, including files received via on-line banking, VPN connection, secure email and SFTP.

Business rules defined within an originator's profile identify the activity that is either acceptable or unacceptable, including the origination schedule (calendar). PIQS identifies suspicious transaction activity in real time, before the transactions enter the ACH network. Key personnel are alerted so they can quickly review the file in question using the management console and make a decision on the suspicious activity. Notes can also be entered to document

the reasoning and the person responsible for the decision in case future questions arise. Examples of the validation controls that can be defined by originator are:

Originating company ID	Valid account numbers
Valid SEC codes	Debit and credit limits
File integrity checks	Files received as scheduled

### ACH Risk Reporting

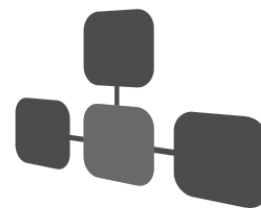
Beyond monitoring daily ACH activity, financial institutions must understand the ACH activity that is flowing in and out of their institution. PIQS greatly simplifies this task by providing bankers with unparalleled insight into both inbound and outbound ACH transaction activity, including exception reporting and management level risk analysis to meet regulatory and NACHA reporting requirements.

Flexible report filters allow analysis to be done by date range for the entire institution, for a specific customer (or group of customers) or for a specific transaction type. Exception reporting identifies transaction activity that warrants further review such as excess unauthorized returns, exposure concerns or unauthorized originated activity. Below is a sampling of the standard reports.

- Board reporting activity graphs
- Exception report
- High risk originators report
- Quarterly new & cancelled originators
- Transaction volume analysis

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Centrix  
**PAYMENTS I.Q.**<sup>TM</sup>  
SYSTEM



## CENTRIX CELEBRATES 10 YEARS

*April 1, 2010 marked the 10 year anniversary for Centrix Solutions. Founders Jeff Asselin and Tim Schnell, along with the remainder of our staff, wish to thank our clients and business partners for entrusting Centrix with your business and contributing to our company's success.*

## **FLORIDA SHORES SERVICE COMPANY TAKES LOCK BOX SERVICES TO A NEW LEVEL**

Florida Shores Service Company (FSSC), located in Clearwater, Florida, sees plenty of opportunity to grow their lockbox services business and is now technically positioned to do so thanks to a new web based solution developed by Centrix. A division of Florida Shores Bancorp, FSSC provides complete lockbox processing and administrative services to condominium associations, homeowner associations and association management companies. The services are marketed through affiliate financial institutions.

The new system, called eClass, is a self-service portal for clients that utilize FSSC lockbox services. Secure file delivery is integrated to allow daily activity reports to be automatically distributed to clients. The system also provides clients with on-line forms, lockbox payment information, and access to images of checks and coupons. Clients can also use secure messaging and file transfer functionality to communicate sensitive data or files to FSSC.

According to Sandy Snyder, Vice President at FSSC, two main objectives were identified when designing the new

system. “One goal was to automate processing and minimize calls to our help desk. The other was to elevate our service level by providing a superior customer experience. Centrix helped us meet both objectives on time and on budget.” eClass was put in production in September 2009.

The system is integrated with several other processing systems, including the image archive, a third party lockbox accounting system and a proprietary lockbox services back office application previously developed by FSSC. Adds Ms. Snyder, “The integration was challenging and complex, but ultimately this was required for eClass to provide the automation we desired. Centrix brought an extensive amount of systems integration expertise to the project, which proved invaluable. Working with Centrix has allowed us to offer cutting edge products to our clients. Now we are scoping out eClass phase two and we look forward to working with Centrix on that project as well.”

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### **WHO IS CENTRIX SOLUTIONS?**

With a vision of helping community banks and credit unions leverage technology to manage risk, optimize efficiency and simplify compliance, Centrix was founded by Jeff Asselin and Tim Schnell in 2000. Both long time employees of a major core processing vendor, Centrix was founded on the premise that banks have many technology needs that core processors cannot accommodate, and there was an opportunity to supply highly focused software applications to financial institutions. According to Mr. Schnell, who is President of Centrix, “Core processors try to be everything to everyone, but we felt that many community and regional banks were in need of a trusted business partner with extensive experience in banking, who could act fast, address unique business problems, and deliver cost effective solutions on time and on budget. Our assumption has proved to be correct, and we now have clients in over 40 states.”

In some cases, the software that Centrix provides to a financial institution is an application written specifically for the

bank; a custom developed program. Over the years, however, Centrix’s product suite of turnkey applications has evolved. Jeff Asselin, Vice President at Centrix, cites compliance, transaction fraud, and customer service as being the major contributing factors to the success of Centrix. “There is no doubt that the dynamic regulatory environment has benefited us because much of what we do involves data security, audit controls and automation. But what keeps banks coming back to us is the level of service we provide. Most of our clients have more than one of our applications implemented and they look to us first as their technology needs evolve.”

Centrix products touch the entire enterprise, including human resources and finance, but the company has found a niche in treasury services by helping community financial institutions compete with super regional and national banks. According to Schnell, “The on-line channel has broken down geographic barriers, and Centrix provides transaction fraud detection technology to community banks that allows them to compete for corporate business against much larger institutions.”

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**Centrix Solutions Inc**

## THE CENTRIX FOCUS

*Technology for the Financial Industry*

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## Centrix Software Products

### TREASURY MANAGEMENT SOLUTIONS

ACH File Validation  
 ACH Origination Calendar  
 ACH Reporting and EDI Translation  
 BAI2 File Processing  
 Check & ACH Positive Pay  
 Check Payee Match  
 Check Reconciliation & Deposit Reconciliation

### COMPLIANCE & RISK MANAGEMENT

ACH Risk Reporting  
 BSA (AML) Customer Due Diligence  
 Escheatment Tracking  
 Secure Messaging & File Exchange

### EMPLOYEE & TIME MANAGEMENT

Expense Reimbursement Processing  
 Project Management System  
 Time & Attendance / Absence Management

### BANK OPERATIONS SOLUTIONS

ACH Notice of Change  
 ACH Returns Processing  
 Business Process Management  
 CDARS® Branch Accounting  
 FTP Data Workflow / Monitoring  
 Loan Collections  
 Overdraft Collections  
 Safe Deposit Box  
 Transaction Posting File Generator

CDARS® and Certificate of Deposit Account Registry Service® are registered service marks of Promontory Interfinancial Network, LLC

## Centrix Software Services

<b>Custom Software Development</b>	New Applications, Interfaces, Software Maintenance, Conversion Programs
<b>Systems Integration</b>	Internet, Intranet, Client/Server, Legacy
<b>Consulting</b>	System Design, Conversion Assistance