

# Positive Pay EDI Process in SAP



## Applies to:

Enterprise Resource Planning. For more information, visit the [Enterprise Resource Planning homepage](#).

## Summary

Positive Pay is an anti-fraud service offered by virtually every US commercial bank. It protects companies against altered checks and counterfeit check fraud.

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## Author Bio

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## Business Requirement: -

To protect business against fraudulent checks.

Here's how the Positive Pay works:

ABC Company issues approximately 600 checks each Friday. After the checks are cut, ABC Company transmits to their bank, a list of the checks that they issued (check number and dollar amount). This list is imported into Bank's computer.

Later, when the checks are presented to Bank for payment, Bank matches each check presented against ABC's previously transmitted lists. If the presented checks' numbers and amounts appear on a previously submitted list, the check is sent through for payment. If both items do not match, the check is not cleared.

This article discusses about the procedure in SAP for the implementation of "Pay Positive Pay (PPP)" by EDI (Idocs) for the purpose of Match Pay transmission to EDI sub system and from there to the Partner Bank (Bank of America) in this example.

## Solution:-

### Steps:

- 1) The information to be passed to the Partner(Bank) is decided(like Check Amount, Check Number, Payee Name and Payment Date etc.,)
- 2) The above information is populated into Idoc segments using a simple Customized abap program.
- 3) The Idoc segments are mapped to EDI system with the help of EDI team.
- 4) Partner (Bank) profile for "Inbound" and "Outbound" parameters is defined(Tcode: WE20)
- 5) Defining Port(Tcode WE21)
- 6) Maintain link between Idoc type(FIPARQ01) and Message type(FIPAYM) Tcode:WE82
- 7) A daily job is scheduled to generate and trigger Idocs out of SAP to EDI subsystem from where the check information is sent to the Bank.

When an EDI transaction is executed (from SAP to EDI subsystem), the translation software (of EDI subsystem, for E.g. Web Methods) will transform the data into the format defined by the ANSI X.12 standard and transmit this information to an EDI VAN. The EDI VAN is an EDI service provider that transmits messages to their destinations. Destinations are identified by an EDI address that points to an EDI mailbox. The mailboxes store transactions for a subscriber until the translation software connects to the EDI VAN and downloads EDI transactions from their mailboxes. When a transaction is downloaded, the EDI VAN will send a "functional acknowledgment" message to the sender (EDI sub system), and the same is re-transmitted into SAP by the sub system, in order to let the sender (Client) know that the recipient (Bank) has received the PP transmission.

The translation software will send any outward-bound EDI transactions to trading partners during the time when the translation software is connected to the EDI network.

Sample of SAP Idoc segment:

## Display data record for IDoc

IDoc number	1158073		
Segment type	E1FIPRR	FI IDoc: References for payment	
Number	2		
No. higher segment	0	Hierarchy level	2
<hr/>			
GJAHR	Fiscal year	2007	
BUZEI	Line item number within the accounting document	001	
DMBTR	Amount in local currency	999.00	

Segment information for PP Outbound Idocs created:-

Check issued Idoc contains following Control record information:

Basic type            FIPARQ01  
 Message type        FIPAYM  
 Message code        **CHK**  
 Partner number     NATBK

Check voided / canceled Idoc contains following Control record information:

Basic type            FIPARQ01  
 Message type        FIPAYM  
 Message code        **CNC**  
 Partner number     NATBK

The Data records for both Message code CHK and CNC are the same, the following is a listing of the segments populated and a brief mapping detail where necessary:

Segment type        **E1FIPRR**     (FI Idoc: References for payment)  
 Number              2  
 No. higher segment   0                    Hierarchy level        2  
**GJAHR**            Fiscal year – This denotes the fiscal year of payment  
**BUZEI**            Line item number within the accounting document  
**DMBTR**            Amount in local currency – Represents the check amount in USD

Segment type        **E1FIPRH**     (FI Idoc: Header data for payment)  
 Number              1  
 No. higher segment   0                    Hierarchy level        1  
**PYDOC**            Payment document – This denotes the check number in SAP  
**ZALDT**            Posting date of the payment document – Same in SAP  
 KONT0                Account – Represents the Bank of America Account number on which the  
 above                check is drawn

Segment type        **E1FIPRB**     (FI Idoc: Bank data for payment)  
 Number              3  
 No. higher segment   0                    Hierarchy level        2  
**BANKK**            Bank key – This is a constant value “002” for all Idocs

Segment type        **E1FIPRB**     (FI Idoc: Bank data for payment)

Number 4  
 No. higher segment 0 Hierarchy level 2  
**BANKK** Bank key – This is a constant value “003” for all Idocs

Segment type **E1FIPRG** (FI Idoc: G/L data for payment)  
 Number 5  
 No. higher segment 0 Hierarchy level 1  
**HKONT** General ledger account – This is a constant value “004” for all

Idocs

Segment type **E1FIPRP** FI Idoc: Partner data for payment  
 Number 6  
 No. higher segment 0 Hierarchy level 2  
**GPART\_TYP** Business partner role – “N” denotes a valid payment and “V” denotes  
 a voided check  
**NAME1** Name 1 – Name of the payee as in SAP

Sample of Positive Pay Idoc file transmitted to EDI subsystem:-

```

NATBK_01163046 - Notepad
File Edit Format View Help
EDI_DC 040000000000116304640B 30FIPARQ011SAPWMQ B NATBK
MCHPAYCHK 1 SAPRTQ LSRTQ_040
20071102044929FIPAYMFIPARQ01 20071102044929 DE2FIPRH
0400000000001163046000001E2FIPRH 000000010 000037
20071102 1233061172
DE2FIPRR 0400000000001163046000002E2FIPRR 000000020 2007001
2000.00
DE2FIPRB 0400000000001163046000003E2FIPRB 000000020 002
DE2FIPRB 0400000000001163046000004E2FIPRB 000000020 003
DE2FIPRG 0400000000001163046000005E2FIPRG
000000010 004
DE2FIPRP 0400000000001163046000006E2FIPRP 000000020 N
HITACHI PROCUREMENT SERVICE CO.,LTD

```

### Conclusion Notes:-

Though Positive Pay information can be transmitted to Bank through other processes like FTP, EDI(Idocs) process is more sophisticated and secure than others.

## Related Content

For more information, visit the [Enterprise Resource Planning homepage](#)

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