

BEST PRACTICE CHECKLIST

HANDLING ABA FILES IN PAYROLL

CHECK WHETHER YOUR PAYROLL VENDOR SUPPORTS AUTOMATIC LOADING OF THE ABA FILE

Ideally there should be no human intervention in sending the ABA file to your online banking portal. Check with your vendor if they support automation of this process.

AUTOMATE TRANSFER OF THE ABA FILE FROM PAYROLL SYSTEM TO YOUR SECURE FOLDER

By eliminating manual handling of the ABA file produced by the payroll system, you can reduce the chance of someone altering the ABA file.

RESTRICT ACCESS AND PERMISSIONS ON THE FOLDER THE ABA FILE IS BEING SAVED IN

Reduce the chance of fraud by limiting the amount of people who have access to the folder the ABA file is stored in.

ENSURE ABA FILE IS NOT BEING UPDATED MANUALLY TO CORRECT ERRORS

Avoid updating the ABA file manually to correct errors. This practice encourages the wrong behaviour and can allow future fraudulent activities.

Errors in the ABA should be fixed at the source (payroll system) and the ABA produced again to ensure the correct internal controls are being followed.

MINIMISE TOUCH POINTS OF GENERATED ABA FILES

Reduce the number of touch points in the ABA file generation and send process. Investigate whether your payroll system supports direct secure file transfer protocol (SFTP) transfer of the file to a secure location for your finance team to process in the online banking portal.

TURN OFF MANUAL EDITS FOR ABA FILES IN ONLINE BANKING

If possible, remove the ability to make manual edits to ABA files in online banking. If this is not possible, review the audit trail of past ABA payment transactions.

ARCHIVE AND PROTECT OLD ABA FILES

Archive and protect old ABA files. This ensures old ABA files cannot be used as a template for fraudulent payments.

DEFAULT THE ABA FILE TO BE WRITE PROTECTED DIRECT FROM THE PAYROLL SYSTEM

By making the produced ABA read-only, you'll minimise the risk of the file being edited before being uploaded to online banking.

USE A HASH TOTAL ON THE BANK FILE WHERE POSSIBLE

Does your payroll system or online banking use a hash total to detect changes to bank account or transaction amounts?

If possible, enable functionality to turn on hashing of the ABA file so any manual manipulation of the file will be rejected by the online banking upload.

WANT TO GET PAYROLL GOVERNANCE SORTED IN YOUR ORGANISATION?

Book in a quick, no obligation chat to see how we can help you simplify and formalise your payroll governance program.

We'll show you how to de-risk payroll, plus the many benefits of centralising payroll operations management using [Paytools](#).

BOOK A CHAT