



APACS

Cheque and Credit Clearing Company Limited

**BEST PRACTICE
GUIDELINES
FOR THE DESIGN AND USE OF
BANK GIRO
CREDIT
VOUCHERS
REVISED 2003**

**These Guidelines are intended for all
Printers, Part-Printers and Commercial Users
of Bank Giro Credit (BGC) Vouchers**

These Best Practice Guidelines, to be used in conjunction with APACS Standard 3.2,
are designed not only as an 'aide memoire' for BGC Scheme Members, but also to assist:

**Companies who print BGCs but are not yet members of the BGC Scheme
and
Companies who only add a reference field and/or infill the payee name and amount details.**

2003 BEST PRACTICE GUIDELINES FOR THE DESIGN & USE OF BANK GIRO CREDIT VOUCHERS

OBTAINING BANK GIRO CREDIT VOUCHERS

APACS (Association for Payment Clearing Services) recommends that all UK BGC vouchers and/or BGC base stock be printed/part-printed by a member of either the **Bank Giro Credit Certification Scheme** (BGC Scheme) or the **Cheque Printer Accreditation Scheme** (CPAS). BGCs printed by members of either Scheme will comply with APACS Standard 3.2. Their CPAS accreditation number or BGC Scheme certification number will appear along the left hand edge of the voucher plus the printer's name or initials and possibly a contact telephone number.

From January 2000 all BGC vouchers passing through the UK's automated credit clearing system must conform to APACS Standard 3.2, technical details of which are available from your bank or the Cheque and Credit Clearing Company Limited (CCCC).

It is essential therefore to check that any BGC printed, part-printed or issued by your organisation has been produced in accordance with APACS Standard 3.2. This includes BGC base stock, onto which the full code line is subsequently added.

Further information on CPAS and the BGC Scheme, plus up-to-date lists of members, is available from CCCC. Print brokers should also be aware of both Schemes and are strongly recommended to ensure that their customers' BGCs are printed by a member of either Scheme.

BANK GIRO CREDIT VOUCHERS MUST ALWAYS:

- Be approved by the customer's Bank Central Contacts: samples of each new design must be submitted to the account holding bank prior to use and on a regular basis thereafter. Any subsequent design or code line change is also subject to bank approval, as is any requirement to print on the reverse of the voucher.
- Be printed on CBS2 (credits) paper or CBS1 (cheque) paper.
- Conform to approved design templates, particularly regarding positioning of code line, amount box etc.
- Have full code line (OCR, MICR or a mixture of both) printed/part-printed in accordance with APACS Standard 3.2 specifications, an up-to-date copy of which must be held and strictly adhered to by the printer/part-printer (see 'Completing BGC Code Lines' on next page).
- Be subjected to regular testing of the full code line and, where applicable, the drop-out box: any printer/part-printer of BGCs must hold in-house, or have proven constant access to, appropriate testing facilities.
- Be printed using Pira/APACS-tested printing machines and relevant ink/toner.

Any organisation ordering BGCs should ensure the order is signed by a suitably authorised member of staff.

2003 BEST PRACTICE GUIDELINES FOR THE DESIGN & USE OF BANK GIRO CREDIT VOUCHERS

COMPLETING BGC CODE LINES

The full code line at the bottom of a BGC can be printed using:

- OCR (Optical Character Recognition) characters in OCR B size 1 font
- MICR (Magnetic Ink Character Recognition) characters in E-13B font
- Part MICR and part OCR

OCR code line characters must be printed in a non-magnetic ink using a security printing press *OR* an impact printing machine *OR* a non-impact (laser) printer with a non or very low magnetic content toner. MICR code line characters must be printed in a magnetic ink using a security printing press *OR* an impact printing machine *OR* a Pira/APACS-tested Grade 1 non-impact (laser) printer which has also been approved for printing MICR code lines. A complete list of Pira/APACS-tested Grade 1 non-impact printers can be obtained from the BGC Scheme Administrator at CCCC.

- All customer produced MICR code line characters must be tested on a regular basis, using APACS-approved testing equipment, details of which can be obtained from the BGC Scheme Administrator.
- All OCR code line characters must be printed using non-magnetic inks or toner. Customer produced OCR code line characters must also be tested using APACS approved image testing equipment.

Code Line Layout:

Full details of the allowed code line formats are contained in APACS Standard 3.2. Please consult your bank if you have any queries. A template showing the positioning of the code line is commercially available, and further information can be obtained from the BGC Scheme Administrator. The code line must include:

- Sort code of the bank branch holding the account to be credited.
- Account number to which the payment is credited (see exception list below).
- Transaction code – a 2-digit number which determines the purpose of the BGC. Please verify with your bank that you are using the correct transaction code.
- Serial number/reference field – either an identifiable or sequential serial number/reference field or, for a collection credit, a reference number denoting the account holding customer's account (e.g. local authority, utility etc).

NB: There are a few exception to these rules:

Collection Credit – a unique sort code may be printed without an account number

Long Joint Giro – the Amount Due field included in code line

Please consult your bank relationship manager if you use any of these specific options.

2003 BEST PRACTICE GUIDELINES FOR THE DESIGN & USE OF BANK GIRO CREDIT VOUCHERS

MICR Code Lines:

Wherever possible the MICR code line should be printed by a member of the BGC Scheme or CPAS. This will ensure that:

- the MICR code line is printed in the correct position.
- the MICR code line signal is of a sufficiently high strength to pass through the banks' central clearing systems and that it has been properly tested.
- the MICR code line has been tested for durability so that the numbers will not rub off when the voucher passes through the clearing.

If you are not a member of either Scheme, but still print/part-print the MICR code line, you **must** have facilities to test the signal strength on a regular basis, either on site or through a third party. Full details of the appropriate equipment and/or relevant third parties can be obtained from the BGC Scheme Administrator at CCCC.

OCR Code Lines:

Any laser printing machine used to print OCR code lines **must use a toner with very low or, preferably, no magnetic content.**

Readability of OCR Characters:

Customers and/or printers should confirm their code line requirements with the relevant account holding bank and, wherever possible, avoid using alphabetic characters in Reference Fields, as they can cause misreads. Alphabetic OCR characters are classified for readability as follows:

Good:	F, J, K, N, P, V, X, Y	Acceptable:	A, E, H, M, W
Poor:	C, D, G, I, L, Q, R, T, U	Very Poor:	B, O, S, Z

Avoiding those characters classified as **Poor** or **Very Poor** will minimise the level of misreads, rejects and error correction.

PRINTING THE AMOUNT BOX

Drop-Out Box:

A drop-out ink outline may be used to give a visual differentiation of the Total Amount Box area for completion. Boxes should be printed with drop-out inks as defined in the American National Standard (ANSI X9) or, if using a laser printer, a drop-out design with a PCS of less than 0.3 (30%) may be used. (Please see APACS Standard 3.2 for further details.)

Laser Printing:

To avoid potential misreads and scanning complications when using a fine line Total Amount Box, the Amount Box must be printed as a three-sided rectangle, the left hand side being left open and prefaced by the £ sign in OCR-B font 4mm high (see diagram below). A fine continuous line should be used to define this three-sided rectangle, rather than a dotted line. This is an amendment to Standard 3.2, implemented 1 January 2003.

A laser printed Amount Box



2003 BEST PRACTICE GUIDELINES FOR THE DESIGN & USE OF BANK GIRO CREDIT VOUCHERS

GENERAL GUIDELINES

The following is a brief summary of the general rules and recommendations governing the printing or part-printing of BGCs. More detailed information will be found in APACS Standard 3.2 and the Operating Regulations of the Bank Giro Credit Certification Scheme, issued to CPAS and BGC Scheme Members. Non-Scheme members printing BGCs are strongly recommended to follow these Guidelines closely and refer to the BGC Scheme Administrator with any queries. Adherence to APACS Standard 3.2 is mandatory.

Security and Confidentiality:

- Customers' data, both paper and electronic, must be stored securely, including origination, infilling and personalisation work. Data transmission and back-up data systems should also be secure.
- Only authorised staff should be permitted access to confidential customer details, with access rights and passwords subject to regular review.
- An intruder alarm system should be installed.
- Visitors should be controlled via a formal reception procedure and accompanied at all times.
- Systems must be in place to prevent the unauthorised or accidental disclosure of sensitive confidential information by either staff or visitors.
- A manual or computerised audit trail should enable each print job to be tracked from inception to delivery, including a means of retrospective identification and contingency procedures in place in case of loss or theft.
- Waste to be securely stored prior to shredding to render it unusable as BGCs. Destruction certificates should be obtained from external contractors, if applicable.

Quality:

- The requirements of APACS Standard 3.2 must be fully met for each order.
- Quality assurance records must be maintained for each order.
- All paper (CBS2 or CBS1) and approved ink ribbons or toner (which must be the same type as that used when the printer was tested by Pira) should be purchased from reputable suppliers.
- Regular schedules for quality testing base stock and MICR and/or OCR code lines must be maintained using appropriate testing equipment, either held on site or via a third party, who has provided written agreement to carry out such testing.
- All testing equipment must be calibrated regularly in accordance with manufacturers' instructions.
- Base stock purchased from a third party, onto which the full code line is to be added, should be obtained from either a BGC Scheme or CPAS member. (If the design includes a drop-out box, CPAS members will provide a certificate to confirm it has been tested for image quality.)

(continued)

2003 BEST PRACTICE GUIDELINES FOR THE DESIGN & USE OF BANK GIRO CREDIT VOUCHERS

GENERAL GUIDELINES (*continued*)

Bank Approval:

The relevant account-holding branch of bank (or as otherwise stipulated by bank) should always be asked to confirm approval and/or validation for the following:

- All bank details for a new BGC design.
- Proof of any new BGC design and sample vouchers (to be submitted for testing prior to main print run).
- Sample vouchers (submitted for testing prior to main print run) when changes occur in either the content of code line or the reference length/type of character used for validation.
- Any requirement to print on reverse of BGC voucher.
- Repeat orders, if there are any changes to delivery address and other relevant details from the previous order.

On completion of each print run, 50 sample BGC vouchers should be sent to the relevant Bank Central Contact. Bank approval is mandatory under APACS Standard 3.2.

Machinery and Equipment:

Printing Machines:

- Base stock and/or code lines must be printed using a high quality impact printer or one of the laser or inkjet printing machines tested by Pira/APACS. The choice of machine depends on type of paper used (sheet-fed or continuous) and type of code line to be printed. Up-to-date lists of tested non-impact printing machines are available from the BGC Scheme Administrator.
- Printers should be purchased direct from the manufacturer or reputable supplier and serviced/maintained in accordance with manufacturer's recommendations by an approved maintenance company.

Ink Ribbons and Toner:

- Use only consumable supplies specified by your printer manufacturer.
- When using an **impact printer** for in-filling, always use a permanent ribbon, which should be changed regularly to maintain good quality print. One-time correctable typewriter ribbons should not be used as the characters can be easily removed or rubbed off.
- When using a **non-impact/laser printer** ensure the toner and other consumable supplies are renewed regularly, preferably more frequently than manufacturer's recommendation. When the 'Toner Low' or 'Replace Toner' indicator appears, replace the cartridge immediately as toner adhesion deteriorates rapidly when the amount of toner is low. Do not keep excessive stocks of toner as it deteriorates over time.

2003 BEST PRACTICE GUIDELINES FOR THE DESIGN & USE OF BANK GIRO CREDIT VOUCHERS

PRINTING, STORING AND HANDLING BGCs

- Always ensure the printer is fully warmed up before starting to print or complete the code line of BGCs as recommended in your printer handbook, which should give further information on this topic. If the printer has a powersave mode, it is advisable either to turn off this feature, thus ensuring that the toner fuser is always hot, or to print at least a few pages after the printer has been in "sleep" mode before doing a BGC run. This will ensure that the printer has reached its optimum operating temperature before BGCs are infilled.
- Create a secure location within your organisation to contain both the printer and stored BGC stock and ensure that this print room has an ambient constant environment. BGCs should not be removed from company premises without suitable authorisation.
- Keep all identifying batch/delivery labels in case of problems, and always check the wrapping of each delivery to make sure it is undamaged.
- Never use BGC stock which appears damaged, whether torn, stained, curled or with wavy edges. This can not only affect print quality, but also cause paper jams, misfeeds, omissions and duplications.

THE BANK GIRO CREDIT CERTIFICATION SCHEME

In January 2003 APACS implemented the Bank Giro Credit Certification Scheme (BGC Scheme) as part of an ongoing Bank Giro Credit (BGC) rationalisation programme designed to ensure that all UK BGCs conform to APACS Standard 3.2 in overall terms of design and code lines. The resultant improvement in paper and printing quality will substantially reduce the volume of misreads and rejects in the UK automated credit clearing system (the Clearings), which lead to possible misdirection of funds or payment delays.

This Scheme is designed both for commercial printers/personalisation agencies and for any end-user organisation printing or part-printing BGCs in-house for invoicing purposes (such as utilities, local governments, retailers etc).

Members of CPAS are automatically members of the BGC Scheme. Up-to-date membership lists for both Schemes are available from the BGC Scheme Administrator.

BGC 'printing' is defined as either:

- printing BGC base stock and full code line
- printing BGC base stock only
- printing full code line onto BGC base stock supplied by another printer.

(NB: If you only add a reference field and/or infill the payee name and amount payable details, you do not need to consider joining the BGC Scheme.)

Printing BGCs? - Become a Scheme Member!

2003 BEST PRACTICE GUIDELINES FOR THE DESIGN & USE OF BANK GIRO CREDIT VOUCHERS

Please ensure that all relevant personnel are aware of
and strictly adhere to these

Best Practice Guidelines

which should be used in conjunction with
**APACS Standard 3.2 and the Rules of the
Bank Giro Credit Certification Scheme**

For further information and advice on printing Bank Giro Credit vouchers,
the Bank Giro Credit Certification Scheme, the Cheque Printer Accreditation Scheme,
or the APACS Standards, please contact

BGC Scheme Administrator / Help Desk:

Cheque and Credit Clearing Company Limited
Mercury House, Triton Court
14 Finsbury Square, London EC2A 1LQ
email: bgchelp@apacs.org.uk telephone: 020 7711 6375

For additional copies of these Guidelines, please contact BGC Scheme Administrator
or download an electronic version from the Publications section of our website.

Website: www.apacs.org.uk

ChequeMate

Cheque and Credit Newsletter



Bi-annual

The ideal way to keep up with developments affecting how
BGCs and Cheques are printed.

Available on our website (Publications) or contact the BGC Help Desk to sign up for hard copies.