



Business Resiliency Statement FedACH® Service

The Federal Reserve Banks' Automated Clearing House service known as FedACH provides financial institutions and government agencies with the ability to exchange electronic payments through the ACH network. FedACH is used to convey a variety of electronic transactions including pre-authorized recurring payments such as payroll, corporate payments to vendors, benefit payments, insurance premiums, utility payments, converted or truncated checks, and corporate cash concentration. The Federal Reserve is the nation's largest ACH operator processing over 13 billion transactions in 2015.

The Federal Reserve System has a number of procedures in place to ensure resiliency of the FedACH application. These procedures are routinely tested to ensure timely resumption of operations of the FedACH application in the event of a significant disruption. We continue to evaluate and enhance the FedACH application and recovery procedures on an ongoing basis.

FedACH Data Centers

Two data processing centers support the FedACH application. One center supports the primary processing environment and the second center serves as an active, "warm-site" backup facility. The two data processing centers are separately located to mitigate the effects of natural disasters and power and telecommunications outages. In addition, both data centers include various contingency features, such as redundant power feeds, environmental and emergency control systems, dual network operations centers, dual customer service centers, and data backup.

- ***FedACH On-site Recovery at the Primary Site***
The primary processing site for the FedACH application includes a high level of redundancy, and replication whereby automatic recovery at the primary site is provided for most disruptions.
- ***FedACH Remote Recovery at the Second Site***
The FedACH application transmits and applies transactions to a remote, redundant second site throughout the day. In addition, the Reserve Banks maintain computer hardware and software resources at the second site in a dedicated and active state for FedACH backup use. Should the primary production site or processing environment experience a serious confidentiality, integrity, or availability problem, the FedACH application can be operational at the backup site within four to six hours. Because of the batch-processing environment of the FedACH application, the recovery process would require each customer to reconcile the status of files sent or received.

- ***Data Center Operations Support***

Hardware and environmental software specialists are located at multiple sites, including each of the data processing centers that support FedACH. These specialists maintain and monitor the mainframe and distributed environments that support the FedACH application, manage environmental software upgrades, and diagnose and resolve data center problems.

Because data center operations are critical to supporting the FedACH application, staff at each of the data centers can immediately take over the other's processing environments if necessary. Staff operating at the data center for the primary FedACH processing environment is capable of remotely operating the secondary FedACH processing environment. Likewise, staff operating at the data center for the secondary FedACH processing environment is capable of remotely operating the primary FedACH processing environment.

FedACH Technical Support Personnel

- ***FedACH Application Support***

The FedACH application is supported by a team of programmers, implementation, testing, business, and operations staff. Together they are responsible for supporting, and operating an efficient, accessible, and reliable ACH payments system. Because this staff is critical to the FedACH service availability and recovery, they have the capability of working offsite.

The operations staff provides around the clock coverage, monitoring the application to ensure processing deadlines are met. This staff is located primarily in two geographically separated locations. In the event of a disruption at one location, the staff at the alternate location can immediately monitor all FedACH file activity while issues at the affected site are addressed.

- Alternate site support - There will be no disruption to application monitoring or customer support.
- Remote operations – Operational within 4 hours of declared contingency.

- ***FedACH Customer Support***

Operations specialists are located at two Customer Support Sites. These specialists are responsible for responding to customer inquiries and requests, file monitoring, performing customer setup activities, and other operational tasks. FedACH Customer Support Sites serve as alternate backup sites to each other. In the event of a disruption at one of the Customer Support Sites, the other Central Support Site can support all customers within five minutes of notification.

FedACH Customer Support staff have the ability to remotely support customers. In the event of a disruption at one of the Central Operations Support Sites, the alternative site will assume responsibility for all operating tasks until staff from the disrupted site can begin working remotely. Remote operations will be activated within 4 hours of a declared contingency.

FedACH Contingency Testing

The Federal Reserve System invites customers with electronic communication connections to the FedACH service to participate in the FedACH application contingency tests. The application contingency tests are conducted and certified periodically throughout the year. During the contingency tests, customers test their ability to reconcile and resume processing of their transactions following a FedACH application recovery simulation.