



BOC Education and Ways to Streamline Transition

ODFI and RDFI Internal Education

Before *ODFIs* and *RDFIs* can begin educating corporate and retail customers, internal staff must first become educated about back office conversion (BOC.) Cashiers and customer service staff will need to understand the BOC process and specific considerations for the consumer to adequately and accurately address consumer questions. Staff responsible for processing BOC items will need to understand the appropriate return reason codes, corresponding return timeframes and warranties. Reviewing the participant impact summary above is a good place to start, but a complete review of the *NACHA Operating Rules* should also be part of the internal education process. Other resources can be found at www.electronicpayments.org.

Originator Education

Because customers rely on their financial institution as a primary source of information, *Originators* will likely look to *ODFIs* for the education on how to set up and use BOC. *ODFIs* can provide *Originators* with ready-to-use materials to help in this process. For example, *ODFIs* can direct *Originators* to www.frbservices.org and www.electronicpayments.org for sample notification and education materials they can post at checkouts and distribute to their employees.

Originators will also need to educate cashiers about the BOC process so that they are prepared to address customer questions at the time of purchase. The signs and receipts provided at the checkout will help, but employees should be familiar with BOC details. Specifically, customer-facing employees will need to understand the authorization process and alternative payment options if a consumer refuses to authorize a BOC.

Consumer Education

According to consumer focus group research conducted by The Response Center, an independent market research firm hired by NACHA, several steps can be taken by *Originators*, *ODFIs*, and *RDFIs* to educate customers and minimize confusion and customer service calls. "Consumers were generally comfortable with the changes in the banking industry over the past few years. Most do not receive their checks back,"¹ according to The Response Center.

For financial institutions, research suggests that a letter from financial institutions would be one way to increase awareness of BOC. "Everyone [in the focus group] agreed that they open and read letters from their financial institution immediately."² *ODFI* letters could introduce the BOC concept to its customers and educate them on how they may be notified by *Originators* if their checks will potentially be converted and what their options may be if they want to opt out of BOC. Because "many [of the focus group participants] check their account balances and/or cleared checks online or through automated voice response systems at their bank" and "do not necessarily open or even read their bank statements,"³ *RDFI* customer communications could focus on how BOC payments will appear on their statements.

In addition, *RDFIs* can begin educating their retail account holders and customers about the changes they may encounter at retail stores beginning in March 2007.

¹ NACHA's "Results of Research and Education Plan for Back Office Conversion, Attachment B," page 2, published December 14, 2005.

² Ibid.

³ Ibid.

Ready-to-Use Materials Will Assist ACH Participants

[Click here](#) for a list of templates and ready-to-use materials provided by the Federal Reserve to help you and your customers learn more about back office conversion. Resources are also provided by the BOC Education Task Force, sponsored by NACHA and other associations, at www.electronicpayments.org. The BOC Education Task Force will provide customer service training materials to financial institutions and brochures to retailers and billers interested in using BOC. Materials will be available through the "Check Conversion" section of this website.