

FedACH Risk[®] Management Services

**Quick Reference Guide:
Using the FedACH Risk RDFI Alert Service
to Retire Old ACH Receipt RTNs**



FedACH® Services

Managing Retirement of Old ACH Receipt RTNs

- Your routing transit number (RTN) retirement efforts should start with the standard approach of using FedACH Services return items and notifications of change (NOC) to notify originating depository financial institutions (ODFI) and their originators of the RTN to be retired. If you only need to notify on the change to an RTN, not also on changes in account numbers, then the automated NOC service can help. Sign up for this automated NOC service with the “Merger Options” part of the [FedACH Services Participation Agreement](http://www.frbservices.org/forms/fedach_services.html), found at http://www.frbservices.org/forms/fedach_services.html.
- Once you have exhausted the effectiveness of the standard approach, the FedACH Risk® RDFI Alert Service can help you identify the remaining transactions in need of more concentrated efforts.
- This quick reference guide will
 - ✓ Show you how to structure RDFI Alert notices to identify and manage the last few entries remaining on an old ACH receipt RTN.
 - ✓ Walk you through the FedLine® access solution entry screens used to establish criteria to alert on activity coming in on specified RTNs
 - ✓ Show you an efficient way to periodically review activity alerts by using the RDFI Alert Service’s Batch/Item Alert Scan Results to view alerts created and the corresponding item detail identifying ODFIs and originators
- You can also make use of the additional RTN management tools referenced on the following page.

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Managing Retirement of Old ACH Receipt RTNs

➤ Additional RTN Management Tools

- ✓ FedLine[®] access solution Derive Return and NOC: see your institution's ACH activity and with a click of the mouse, select transactions to return.
- ✓ The FedACH FedPayments[®] Reporter Service "ACH Routing Number Activity Report" provides current month and year-to-date summary-level information for originated and received entries processed via FedACH Services for any RTN you specify.
- ✓ The FedACH FedPayments Reporter Service "ACH Volume Summary by SEC Code Report" goes a step further by showing all originated and received activity on the specified RTN summarized by SEC code. It can be of use to those institutions wanting to retire RTNs by customer segments such as commercial versus consumer receivers.

FedACH Risk[®] RDFI Alert

Service Overview

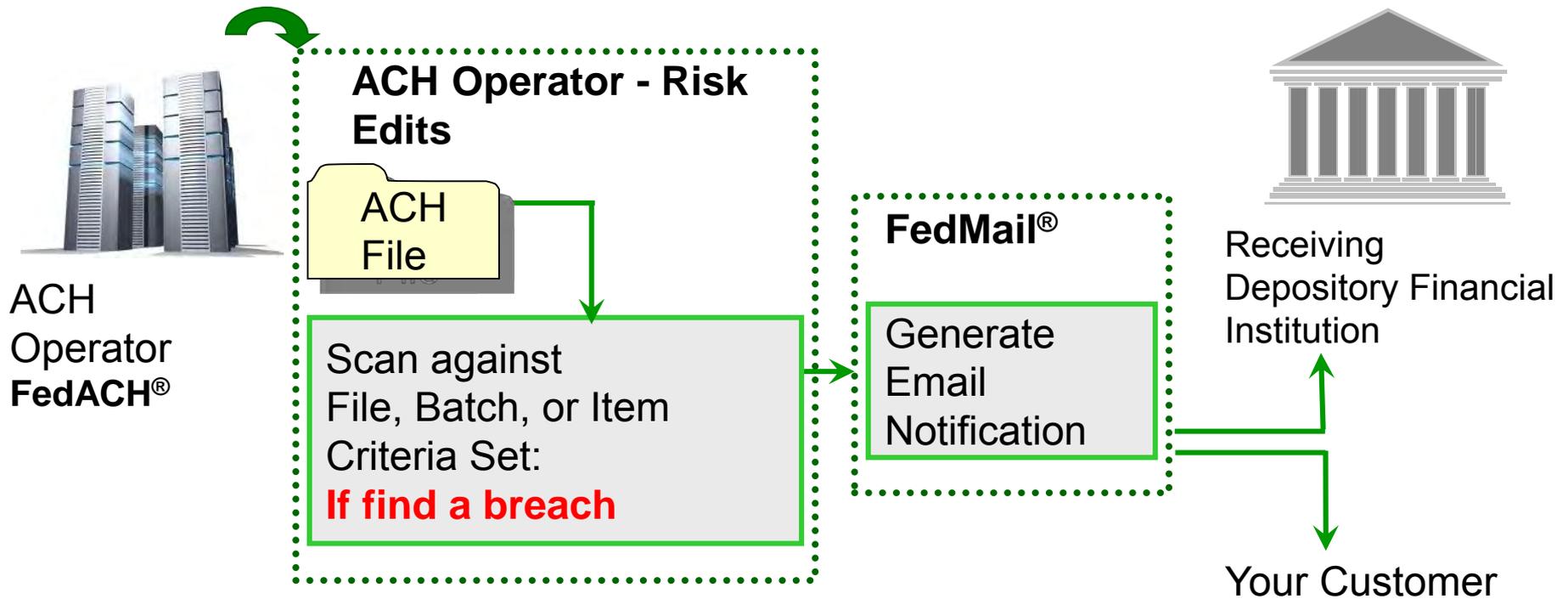
FedACH Risk[®] RDFI Alert Service

Service Overview

- RDFI Alert Service is information only: No action taken on the files, batches or items; all transmitted as they are today, without delay. Nothing is pended.
- Alert threshold criteria can be customized to meet a variety of specific needs.
- For file- and batch-level monitoring, the service compares totals in each file or batch against the thresholds at the time of each file distribution.
- For item-level monitoring, the service scans against the entire day's processing at the close of business.
- If any files, batches or items exceed thresholds, the service sends an email notification to the contacts listed. Batch and item alert reports are stored for easy research in the service's "Scan Results" area.
- One benefit is that the service sends out batch or file-level email notifications nearly simultaneously with the release of the file, which can provide your institution with the earliest notification possible, even if you use a processor that doesn't distribute your files to your institution until the end of their processing day. Prompt notification on early files may provide the opportunity to process the items, originate a return and return the transaction by the immediate return settlement deadline of 2:00 pm ET.

FedACH Risk[®] RDFI Alert Service

Service Overview



* FedACH[®] Services sends out four files per day to the RDFI or to its Receiving Point.

File distribution times: 1:00 PM ET, 4:00 PM ET, 10:00 PM ET, 6:00 AM ET



FedACH Risk[®] RDFI Alert

Service Set Up

FedACH Risk[®] RDFI Alert Service Service Set Up

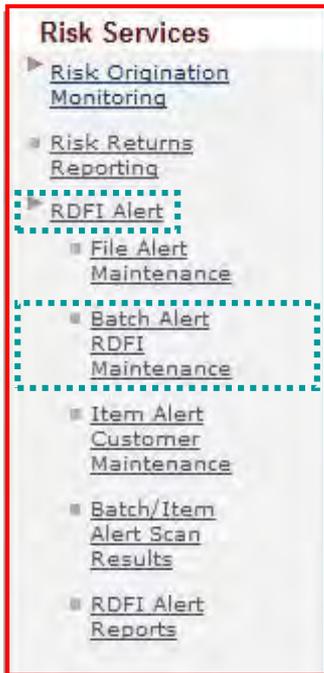
- Your institution needs an appropriate FedLine[®] access solution connection.
- To sign up for the RDFI Alert Service, you will need to
 - ✓ complete the applicable parts of the [FedACH[®] Services Participation Agreement](http://www.frbervices.org/forms/fedach_services.html), located at http://www.frbervices.org/forms/fedach_services.html
 - ✓ have the forms signed by a person on your institution's Official Authorization List (OAL) on file with the Federal Reserve Banks and
 - ✓ fax the completed forms or scan, attach and email the completed forms to your FedACH Central Operations Support (COS) site. COS [fax numbers and email addresses](http://www.frbervices.org/contactus/fedach_operations.html) are found at http://www.frbervices.org/contactus/fedach_operations.html
- Regarding the applicable parts of the FedACH Services Participation Agreement:
 - To activate the RDFI Alert Service itself, complete the FedACH Services Participation Agreement part titled "FedACH Risk RDFI Alert Service Request Form." Because the service belongs to an RTN and because that RTN needs a FedLine[®] access solution to operate the service, you request activation of the service for a specific RTN.
 - Because you are trying to retire an old receipt RTN, you may not have an active FedLine access solution connection for that old RTN. If you do not, you will need to be able to manage the RDFI Alert Service for that old RTN from your active RTN's FedLine access solution credential.
 - This means you need to sign up your active, FedLine credential RTN as a Service Participation Point (SPP) designated to operate the RDFI Alert Service for other RTNs you own, in this case for the old RTN you are working to retire. To set this up, in addition to completing the primary part of the participation agreement to request the RDFI Alert Service itself, you will also need to submit the additional part to designate your active RTN as the SPP for the old RTN you want to retire. This part of the participation agreement is titled "Designation of a Service Participation Point," and the name of the applicable sub-section is "Service Participation Point Owned by Your Institution."
- To operate the RDFI Alert Service screens in your FedLine access solution, you will need subscribers with credentials to access FedACH "Information Services."
 - ✓ If you need to add such Subscribers, have one of your institution's End User Authorization Contacts (EUACs) submit a Subscriber request via the EUAC Center within FedLine Home."

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Entering **BATCH**-level Criteria

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Entering Batch-level Criteria: Batch Alert RDFI Maintenance



- Select “RDFI Alert” from the left-hand navigation to open service menu
- Select “Batch Alert RDFI Maintenance”
- This section allows the user to do the following for **batch** level scans:
 - enter / modify existing RDFI information
 - enter / modify email addresses for contacts at the RDFI who will receive Alert notices
 - enter / modify batch level scan criteria for an RDFI

FedACH Risk® RDFI Alert Service

Entering Batch-level Criteria: Batch Alert RDFI Maintenance

FedACH: Batch Alert RDFI Maintenance - Search
111111111 ACH Bank Pleasant Town, USA

Select RDFI from the drop-down list and click Next to see setup information about RDFI selected.

RDFI:

- Select RDFI ABA
- 222222222
- 333333333
- 111111111
- 444444444
- 555555555

Select the appropriate RDFI ABA from the drop list.

- Service Participation Points (SPP) will see a list of all the ABAs for which they can perform the maintenance.
- Select the old RTN you are working to retire.
 - If the old RTN does not appear in the drop down list, you have not set up your FedLine® RTN to act as the SPP for it, and you'll need to complete and submit that additional part of the FedACH® Services Participation Agreement.

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Entering Batch-level Criteria: Setting Up Batch-level Scan Criteria

- **Batch-level alert criteria screens**

Three set up screens, shown as tabs at top of screens:

- 1) Email Heading Information: enter static pieces of notification email content such as RDFI name header and contact phone numbers or reference URLs; will show on all emails sent externally to account holders for item alerts.
- 2) Email Contact Information: internal email addresses to receive batch alert notification emails; build “address book” of possibilities and assign per set of criteria.
- 3) Criteria Information: a) mix and match fields to create sets of unique monitoring criteria; each set gets unique numeric identifier; can also give sets meaningful names or use names to group like sets b) also assign email contacts to receive alerts for the particular criteria set.

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Entering Batch-level Criteria: Batch Alert RDFI Maintenance Email Heading Information

FedACH: Batch Alert RDFI Maintenance
111111111 ACH Bank Pleasant Town, USA

111111111 FI manages only itself

IMPORTANT: Select Submit to apply all RDFI setup changes.

Email Heading Information | **Email Contact Information** | **Criteria Information**

The following text fields can be used to identify the name and contact information of your financial institution. This information will appear at the top of the emails generated.

RDFI Name:

Example Text: ACH Bank, Pleasant Town, USA

Contact Information:

Example Text: Telephone: 555-555-5555, Fax: 555-555-5555, email: Customer.Service@ACHBank.com, url: www.ACH.EDI.com

The information entered on the “Batch Alert RDFI Maintenance” *Email Heading Information* tab appears on all alert emails sent out to your accountholders / receivers / customers for any item-level alerts meeting item-level criteria you may decide to establish.

- You can use the “contact information” field to direct customer inquiries to your call centers or website URLs

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Entering Batch-level Criteria: Batch Alert RDFI Maintenance Email Contact Information

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IMPORTANT: Select Submit to apply all RDFI setup changes.

Email Heading Information **Email Contact Information** **Criteria Information**

When a criteria or threshold is met or exceeded, an alert email will be sent out to contacts selected from the list below. Up to 100 email addresses may be defined.

To set up a new Contact, enter the Contact Name and the Contact Email Address in the space provided then click Add Contact. To edit or delete an existing Contact, click the appropriate icon next to the corresponding Contact Name.

For RDFIs who also subscribe to FedEDI Plus and Reports and would like to use the same contacts, click Import Contact to import contact information from the FedEDI Plus and Reports service.

Contact Name:

Contact Email Address:

Contact Name	Contact Email	Edit	Delete
Susan	sue@email.com		

•This is where you set up your email address book to receive notifications on the RTN you selected, in this case the old RTN.

•You will be able to assign emails from this address book to each set of criteria you choose to set up for this RTN.

•Enter the individual or group [contact names](#) and [contact email addresses](#) of those you want to receive alert email notifications when criteria are met for this RTN.

•In this case you are working with the old RTN to be retired, so set up the contacts you will want notified when activity is detected on this old RTN.

•Once an entry is made, click “add contact.”

•If users already have contacts established in the FedPayments[®] Reporter Service, they can use the “Import Contact” feature to import contacts for a particular RTN into the RDFI Alert Service.

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Entering Batch-level Criteria: Batch Alert RDFI Maintenance - Criteria Information

FedACH: Batch Alert RDFI Maintenance
111111111 ACH Bank Pleasant Town, USA

111111111 FI manages only itself

IMPORTANT: Select Submit to apply all RDFI setup changes.

Email Heading Information **Email Contact Information** **Criteria Information**

To identify a new Scan Criteria click the Add New button below. To edit or delete an existing Scan Criteria, click the appropriate icon next to the corresponding Scan Criteria.

Scan Criteria Name	Scan Criteria ID	Edit	Delete
Large Debit	1		

- Click the “Criteria Information” tab
- Select “Add New”
- FYI - Scanning, for RDFI Batch alerts, starts once delivery has been completed
- All established Criteria Sets for the designated ABA / RTN appear on this tab
 - Add additional Criteria Sets by clicking **Add New**
 - Edit or delete established Criteria Sets by clicking **Edit** or **Delete**
 - New/edited Criteria Sets are effective the next business day

111111111 FI manages only itself

Criteria Information

There is a monthly charge per scan criteria set, and a per batch fee for each batch matched for alerting purposes. Please see the FedACH Services Fee Schedule at <http://www.frbservices.org/> for more details.

Enter the information below to create a New Scan Criteria. The Scan Criteria ID is auto populated but can be overwritten during the creation of a new Scan Criteria.

At least one criteria must be defined. If more than one criteria is defined then an batch alert will be triggered when all criteria defined are met.

Scan Criteria Name: Scan Criteria ID:

Alert Criteria

Send an Alert for all Batches

ODFI ABA:

Company Name:

Company ID:

Company Entry Description:

SEC Code:

Credit Dollar:

Debit Dollar:

Item/Addenda Count (>=):

Immediate/SameDay Settlement only:

- **For a basic RTN activity criteria set:**
- Enter a name for this scan criteria set, something such as “entries for retirement.”
- Check the “Send an Alert for all Batches” box.
- No other criteria need be entered.
- Scroll down to see the bottom half of the entry screen.

To subscribe an existing Contact to the Alert, select the Contact from the Available Contacts box, and click the down arrow to add them to the Selected Contacts box. A maximum of 10 Contacts can be assigned to an Alert.

Available Contacts

Contact Name	Contact Email
Susan	sue@email.com

Add
▼

Remove
▲

Selected Contacts

Contact Name	Contact Email
Agnes	aggie@email.com
Jimmy	jimbo@gmail.com

Please click Continue to return to the RDFI Maintenance page. You must click Submit on the RDFI Maintenance page to save your changes.

Note: many institutions do not rely on email notifications of criteria met to research alerts. Rather, they designate a person to research alert activity on a routine, say perhaps weekly, basis by going into the “Batch/Item Alert Scan Results” screens.

- Select an email contact from those **available** in the address book you set up for this RTN
- Click “**add**” to add to contacts **selected** to receive notifications on this criteria set
- Each Alert Criteria Set must have at least one email contact
- Add or Remove email contacts by clicking Add and Remove
- Click “**Continue**” to return to the first criteria information screen where you need to be sure to click “**Submit**”



FedACH: Batch Alert - Criteria Maintenance
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Criteria Information
There is a monthly charge per scan criteria set, and a per batch fee for each batch matched for alerting purposes. Please see the FedACH Services Fee Schedule at <http://www.frbfinancialservices.org/> for more details.

Enter the information below to create a New Scan Criteria. The Scan Criteria ID is auto populated but can be overwritten during the creation of a new Scan Criteria.

At least one criteria must be defined. If more than one criteria is defined then an batch alert will be triggered when all criteria defined are met.

Scan Criteria Name: Scan Criteria ID:

Alert Criteria

Send an Alert for all Batches

ODFI ABA:

Company Name:

Company ID:

Company Entry Description:

SEC Code:

Credit Dollar:

Debit Dollar:

Item/Addenda Count (>=):

Immediate/SameDay Settlement only:

- **As example of a more focused RTN retirement strategy, say you want to focus on transitioning one important client with large dollar CCD transactions and multiple DFI relationships to a new RTN**
- Enter a name for this scan criteria set.
- Enter the client's Company ID
- Select the "CCD" SEC code.
- Select "Credit Dollar" of "greater than or equal to" from the drop down and Enter a value of say "\$10,000.00."
- Scroll down to select email contacts for this criteria set.
- Remember to "continue" back to the main criteria screen and click "Submit"

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Entering Batch-level Criteria: Batch Alert RDFI Maintenance - Criteria Information

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IMPORTANT: Select Submit to apply all RDFI setup changes. Submit Cancel

Email Heading Information | **Email Contact Information** | **Criteria Information**

To identify a new Scan Criteria click the Add New button below. To edit or delete an existing Scan Criteria, click the appropriate icon next to the corresponding Scan Criteria.

Add New

Scan Criteria Name	Scan Criteria ID	Edit	Delete
Large Debit	1		

- Once email contacts have been assigned for a criteria set and you have returned to this screen,
 - Click **Submit** to save your entries

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Entering Batch-level Criteria: RDFI Alert Emails – Sample Batch-level Scan Notification

```

From: FileAlert <RFA1_2732741@fmq.frb.org>
To:
Date: 11/29/2010 09:20 AM
Subject: A Batch(es) contained in your FedACH Output File matched RDFI Batch Alert Criteria for ABA 04120

```

```

FEDERAL RESERVE SYSTEM

FedACH RDFI Batch Alert Service

Process Date:06/09/2006

The FedACH output file with File ID modifier 0609D to receiving point 04120 contains a
batch(es) for RIN 04120 . The following list summarizes the batch(es) matching your
RDFI Batch Alert Criteria:

Match 1

Scan Criteria Name: addenda count =2

Scan Criteria ID: 2

Number of Batches Matching Scan Criteria: 1

The following URL directs you to the FedACH Services for FedLine Web.Please select 'RDFI
Alert' and then 'Batch/Item Alert Scan Results'. The Scan Criteria Name or ID can be
entered to find more information on the batch(es) described above:
https://www.federalreserve.org/fedach\_flis\_ga/fach\_flw/

This service provides notification using email. Email services at the Federal Reserve
banks may experience delays or interruptions in service.

```

- When the service finds a match to your criteria, the notification email is sent to the contacts you selected, and you can use the link provided in the email to go into FedLine[®] access solution screens to research the details.
- **NOTE:** Many institutions do not rely on email notifications to research alerts. Rather, they designate a person to research alert activity on a routine, say perhaps weekly, basis by going into the “Batch/Item Alert Scan Results” screens.

FedACH Risk[®] RDFI Alert Service

Researching Batch Alert Scan Results

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Researching Batch Alert Scan Results

Risk Services

- ▶ [Risk Origination Monitoring](#)
- ▶ [Risk Returns Reporting](#)
- ▶ [RDFI Alert](#)
 - [File Alert Maintenance](#)
 - [Batch Alert RDFI Maintenance](#)
 - [Item Alert Customer Maintenance](#)
 - [Batch/Item Alert Scan Results](#)
 - [RDFI Alert Reports](#)

FedACH: Batch/Item Alert Scan Results
ACH BANK PLEASANT TOWN USA

View Scan Results

Batch Level Item Level

Date Range: to

RDFI:

Customer:

Scan Criteria Name Scan Criteria ID

When searching for a date range your results for an individual Scan Criteria may vary if change were made to the values within that Scan Criteria during the given time frame. To view any changes made to a Scan Criteria go to RDFI Alert Reports and run Batch/Item Alert Historical Report.

Item level information is available for batches from the previous processing dates. To view item level information click on the number in the Item/Addenda Count column for the specified batch.

- Select the “Batch / Item Alert Scan Results” menu link
- Leave selection set at “Batch Level”
- Select a date range
- Select the RTN, in this case the old RTN you are working to retire
- Click “View List”

FedACH Risk[®] RDFI Alert Service

Researching Batch Alert Scan Results

Received File Information for Scan Criteria: 1234 - ENTRIES FOR RETIREMENT

File Status	Transmission/ RP/ Destination ABA	Process Date	Creation Date/ Time	Download Date/ Time	Appl ID/ File ID Modifier	Batch Count	Item Addenda Count	D
Deliv Sch	111111111	09/11/02			AJ01 0912C	60	760	1,65

Received Batch Information

Batch Status	Settle Date	SEC	Recv ABA	Company ID	Company Name	Batch Nbr	Item Addn Cnt	De
Delv	09/13/02	PPD	0910	30310	COMPANY NAME	4	<u>4</u>	C
Total Count:			1	Item/Addn:	4	Debits:	0.00	Credits:

- The service returns the details of any batches matching the selection criteria.
 - Click on the **Item/Addenda Count** hyperlink to view an item list

FedACH Risk[®] RDFI Alert Service

Researching Batch Alert Scan Results - Item Level Detail

- Select and click on an item to view.

Item List Summary

Sel	Eff Date	Company Name	Individual Name	Debit Amount (\$)	Credit
<u>1</u>	12/14/00	BLABLA	SOMEONE	--	
<u>2</u>	05/20/01	AURORA NATIONAL	ALBERTA M NORTHROP	--	
<u>3</u>	05/20/01	AURORA NATIONAL	MOCK DATA SELF	--	
<u>4</u>	05/21/01	DELUXE CHECK	EAST ORANGE WATER COMM	--	

[Return to Search Results](#)

FedACH Risk[®] RDFI Alert Service

Researching Batch Alert Scan Results - Item Level Detail

Item Information			
Originator ABA:	111111111	Account Number:	BOBBIE
Receiver ABA:	222222222	Tran Code:	33
Individual Name:	SOMEONE	Dollar Amount:	0.00
Individual Id No:	9999999999	Disc Data:	I1
Trace Number:	031035555555	Return Reason Code:	
Output Batch Information			
Company Name:	BLABLA	Batch Number:	4
Company Disc Data:		Company ID:	8888888888
Company Desc Date:	020304	Company Entry Desc:	PRENOTES
Total Debits:	0.00	Total Credits:	0.00
Service Class:	220	Effective Entry Date:	12/14/00
SEC Code:	PPD	Settlement Date:	09/13/02
Input File Information		Output File Information	
Sending Point ABA:		Receiving Point ABA:	222222222
File ID:		File ID:	0912C
Total Debits:		Total Debits:	1,690.00
Total Credits:		Total Credits:	1,890,755.23
Receive Date/Time:		Available Date/Time:	10/18/02 12:02
Process Date/Time:		Delivered Date/Time:	10/21/02 14:46

[Return to list](#) [Derive Return for this](#)

- This is the screen that provides you with the item-level detail such as the company name and ID

FedACH Risk[®] RDFI Alert Service

For Help

- Contact the FedACH Services[®] [Central Operations Support](http://www.frbfinancialservices.org/central-operations-support) (COS) Site via information contact located at http://www.frbfinancialservices.org/contactus/fedach_operations.html
- Find contact information, such as your institution's account executive and FedACH sales specialist, with the [My FedDirectory[®] Service](http://www.frbfinancialservices.org/my-fed-directory) located at <http://www.frbfinancialservices.org/contacts/index.jsp>

FedACH Risk[®] RDFI Alert Service

Appendix: Criteria Information – Definition of Fields

FedACH Risk[®] RDFI Alert Service

Appendix: Criteria Information - Definition of Fields

ACH Field Name	Description	How it mitigates risk?
Originating ODFI Identification	ODFI RTN	Identifies batches from a financial institution the RDFI considers having poor origination practices.
Company Name	Name assigned by the originator to identify its transactions to the receiver	This name will often not change as an originator or third party moves from ODFI to ODFI. Some problematic originators will move from ODFI to ODFI on a regular basis.
Company Identification	Alpha numeric identifier generally assigned by the ODFI used to identify an originator.	When combined with ODFI RTN, this field provides the most accurate method for identifying a single originator from a particular RTN.
Standard Entry Class Code	Code used to identify the payment application of a batch.	RDFIs can use this field to identify particular payment applications that it perceives to be a greater risk such as WEB or TEL batches.
Company Entry Description	Payment description passed to the receiver's bank statement.	This name will often not change as an originator or third party moves from ODFI to ODFI. Some problematic originators will move from ODFI to ODFI on a regular basis.
Entry/Addenda Count	The number of transactions and supplemental transaction information contained in a batch.	RDFIs can use this field as a gauge for frequency of payments coming from a particular source within a single batch.
Debit or Credit Dollar Amount	Summarized dollar value of the transactions contained in a batch.	As batches are from a single source, the dollar value naturally gives the RDFI a view of its exposure to a particular originator.