

# FedACH Risk<sup>®</sup> Management Services

The FedACH Risk Management Services product suite provides depository financial institutions with tools to help mitigate Automated Clearing House (ACH) risk.

- Provides online access via multiple FedLine<sup>®</sup> access solutions with no additional technical implementation required.
- Provides monitoring and alert notification for depositing financial institutions (DFI) and account holders whether originating or receiving ACH payments.
- Streamlines ACH risk monitoring by fulfilling components of your risk management strategy within FedACH<sup>®</sup> Services technology.
- Service parameters and process instructions are easily administered by authorized users identified by the DFIs end user authentication contact (EUAC).
- Provides the DFI both transparency and control in ACH whether the processing occurs in the DFI's back office or remotely.

## FedACH Risk Management Services

Available via FedLine Web<sup>®</sup> or FedLine Advantage<sup>®</sup>, the FedACH Risk Management Services product suite includes three easy-to-use risk mitigation tools.

- **FedACH Risk Origination Monitoring Service** provides originating depository financial institutions (ODFIs) enhanced control, flexibility and automated ease in monitoring ACH risk.
- **FedACH Risk RDFI Alert Service** provides notice of unusual or noteworthy conditions within a receiving depository financial institution's (RDFI) FedACH files or batches or in a receiver's items.
- **FedACH Risk Returns Reporting Service** gives ODFIs the ability to produce ad hoc reports of unauthorized or administrative returns by originator for a single day or up to 10 processing days within the previous 60 business days.

## FedACH Risk Origination Monitoring Service *Powerful Control and Customization*

The FedACH Risk Origination Monitoring Service allows ODFIs to:

- Monitor ACH batches associated with selected routing transit numbers (RTNs) or company IDs.

- Control ACH payments originated by your customers over a single processing day or multiple exposure days regardless of the network entry point or your ACH software.
- Tailor and self-administer the monitoring criteria to reflect your particular risk management strategies and customer profiles.

## *Comprehensive Online Monitoring Capabilities*

Through its online, self-service, customized monitoring features, the service lets you choose from three ways to set and control debit and credit caps, end-of-day defaults and monitoring time frames.

- **Select** – Determine individual company IDs for which you want to set and monitor caps.
- **Inclusive** – Define an inclusive list of company IDs associated with the RTN for which you want to monitor caps.
- **ODFI RTN** – Choose to compare a sum of all batches associated with a specific RTN to your pre-defined caps.

The service offers options to monitor accumulated totals at the batch level covering a single processing day or across multiple exposure days.

## FedACH Risk RDFI Alert Service

### *Strong Risk Alert Management*

Helps you proactively manage your potential risks and challenges as an RDFI and provides ACH information to your receivers at the earliest possible time.

- Provides notice of unusual conditions, such as potential fraud attempts and/or significant origination errors, within an RDFI's incoming FedACH batches and/or files and/or within the receiver's items.
- Helps receivers monitor their incoming ACH activity.
- Monitors incoming FedACH activity without interfering with or delaying payments processing.
- Allows you to set batch- or item-level alert parameters using combinations of up to eight fields in the ACH record. Any condition satisfying pre-set parameters triggers e-mail alerts to a maximum of 100 designated points of contact.

Notifications of threshold breaches may arrive throughout the day, allowing you to act earlier on potential issues to minimize their effect on your institution.

Automated monitoring helps to improve time-consuming and potentially error-prone manual monitoring processes and to address audit and compliance concerns.

## FedACH Risk Returns Reporting Service

### *Easy and Affordable Returns Report Access*

Helps ODFIs identify potential ACH fraud or problem accounts.

- Provides the ability to obtain reports listing returns, whether unauthorized or administrative, for any originator with even a single return for a single day or up to 10 processing days within the previous 60 business days.
- Allows simple access from within FedACH® Information Services via multiple FedLine® access solution packages, all with turnkey functionality.

## The FedACH Advantage

The Federal Reserve Banks are the nation's largest ACH operator, with nearly 40 years of experience and ACH expertise. As a leader in electronic access to services, the Reserve Banks are committed to developing innovative options to meet your changing needs. Our combination of high dependability, security and innovation enables you to provide the best ACH services to your customers.

## Where Can I Get More Information?

To learn more about FedACH Risk Management Services, use the My FedDirectory® Service to find contact information for your account executive and FedACH sales specialist or visit [FRBservices.org/fedach](http://FRBservices.org/fedach).