

Summary Table of Contents

Introduction to the ACH Network

Chapter 1: Introduction and Overview

Chapter 2: ACH Transactions

ODFI and RDFI Issues

Chapter 3: Origination of ACH Entries

Chapter 4: Receipt of ACH Entries

Chapter 5: Returns and Corrections Generated by Financial Institutions

Other ACH Participants

Chapter 6: Corporate Originators

Chapter 7: ACH Operators

Chapter 8: Financial Institution/Third-Party Service Provider Relationships

Compliance Issues

Chapter 9: Rules Enforcement

Chapter 10: Regulatory Compliance

Risk Management

Chapter 11: Risk Management

Chapter 12: Fraud Risk

ACH Audit

Chapter 13: ACH Rules Compliance Audit

Appendixes

Appendix A: Glossary of Terms

Appendix B: Regional Payments Associations

Appendix C: Direct Financial Institution Members of NACHA

Appendix D: ACH Operators

Appendix E: EPN Rules 2011

Appendix F: Federal Reserve Bank Operating Circular No. 4

Appendix G: Resources

Appendix H: ACH Considerations in a Merger or Acquisition

Appendix I: ACH Risk Management Guidance

Contents

About the Author	iii
How to Use This Manual	v
Summary Table of Contents.....	ix

INTRODUCTION TO THE ACH NETWORK

Chapter 1 Introduction and Overview

Evolution of the Automated Clearing House.....	1-1
History of the ACH Network.....	1-1
National Automated Clearing House Association	1-1
Regional Payment Associations.....	1-3
Direct Financial Institution Members	1-4
Participants.....	1-4
Originators	1-4
Corporate.....	1-4
Consumer	1-4
Government	1-4
Financial Institution.....	1-4
Originating Depository Financial Institutions	1-4
Receiving Depository Financial Institutions	1-5
Receivers.....	1-5
Corporate.....	1-5
Consumer	1-5
Government	1-5
ACH Operators.....	1-5
Third-Party Service Providers	1-6
Origination of Entries.....	1-6
Receipt of Entries.....	1-6
Agreements	1-6
Rule Compliance	1-7
Audit Requirements	1-7
Exhibit 1.1: ACH Rules and the Rule Book.....	1-8

Chapter 2 ACH Transactions

Transaction Types.....	2-1
Consumer	2-1
Point-of-Sale Entry (POS).....	2-1

Prearranged Payment and Deposit Entry (PPD)	2-2
Re-Presented Check Entry (RCK)	2-2
Shared Network Entry (SHR)	2-2
Telephone-Initiated Entry (TEL)	2-2
Internet-Initiated/Mobile Entry (WEB)	2-3
Corporate.....	2-3
ACH Payment Acknowledgment (ACK)	2-3
Financial EDI Acknowledgment (ATX).....	2-4
Corporate Credit (CCD)	2-4
Corporate Debit (CCD).....	2-4
Corporate Trade Exchange (CTX).....	2-4
Other	2-5
International ACH Transaction (IAT).....	2-5
Accounts Receivable Entry (ARC).....	2-5
Point-of-Purchase Entry (POP)	2-5
Back-Office Conversion Entry (BOC).....	2-5
Customer-Initiated Entry (CIE).....	2-6
Automated Accounting Advice (ADV)	2-6
Automated Notification of Change (COR)	2-6
Death Notification Entry (DNE).....	2-6
Automated Enrollment Entry (ENR).....	2-6
Check Truncation Entries (TRC/TRX)	2-7
Destroyed Check Entries (XCK)	2-7
Financial Institution General Ledger Account Entries	2-7
Loan Account Entries	2-7
Return Fee Entries.....	2-7
Transaction Codes.....	2-8
Addenda Records	2-10
Transaction Flow Charts	2-12
Credit Flow Chart.....	2-12
Debit Flow Chart	2-13
Third-Party Service Provider Flow Charts.....	2-14
Originating Third-Party Service Provider.....	2-14
Receiving Third-Party Service Provider	2-14
Third-Party Service Provider as Third-Party Sender.....	2-15
Data Security.....	2-15
Exhibit 2.1: Electronic Check Conversion Transactions Comparison	2-16

ODFI AND RDFI ISSUES

Chapter 3

Origination of ACH Entries

Originating Financial Institutions..... 3-1

There Must Be an Originating Financial Institution/Originator Agreement..... 3-1

Proper Authorization Must Be Obtained..... 3-2

Authorization for Debit Transactions..... 3-2

Authorization for Accounts Receivable (ARC) Entries..... 3-2

Authorization for Re-Presented Check (RCK) Entries 3-3

Authorization for Telephone-Initiated (TEL) Entries 3-3

Authorization for Consumer Credit Entries..... 3-4

Proper Originator Agreements Must Be in Place 3-4

Notice Is Required Prior to Origination of Credit Entries Subject to UCC 4A..... 3-4

Originating Financial Institution Risk Management..... 3-5

Data Security..... 3-6

Warranties 3-6

Pre-Notifications 3-8

Reversing Files 3-8

Reversing Entries..... 3-9

Reclamation Entries 3-9

Recall of Originated Items..... 3-10

Request for Return of an Originated Entry 3-10

Acceptance by Originating Financial Institution of Unauthorized Corporate Debit Returns..... 3-10

Reinitiation of Returned Entries 3-11

Unauthorized Return Entry Reporting Requirements..... 3-11

ODFI Direct Access Registration Requirements..... 3-13

Entries Requiring Special Attention 3-13

Destroyed Check Entries..... 3-13

Re-Presented Check Entries..... 3-15

Accounts Receivable Entries 3-16

Point-of-Purchase Entries 3-18

Back-Office Conversion Entries 3-20

Telephone-Initiated Entries..... 3-22

Internet-Initiated/Mobile Entries..... 3-22

Return Fee Entries..... 3-23

International ACH Transactions 3-24

Agreements 3-24

Gateway Operator Obligations 3-24.1

Return Entry and Notification of Change Exceptions..... 3-24.1

Origination Compliance Tips..... 3-24.1

ACH File Formats 3-25

File Specifications 3-25

File Record Sequence	3-26
File Header Record.....	3-28
Company/Batch Header Record.....	3-28
IAT Company Batch Header Record	3-29
Entry Detail Record	3-29
IAT Entry Detail Record.....	3-30
Addenda Record.....	3-30
IAT Addenda Records.....	3-32
Company/Batch Control Record.....	3-33
File Control Record.....	3-33
ACH Operator File Acknowledgment.....	3-34
Origination of Files from the ODFI to the ACH Operator	3-34
Delivery to the Federal Reserve of Originated Items.....	3-34
Delivery by the Federal Reserve of Received Items	3-35
Federal Reserve Settlement Schedule	3-35
Electronic Payments Network Processing and Settlement Schedule	3-36
Compliance Tips on Sending Files to the ACH Operator	3-37
Exhibit 3.1: Model ODFI/Originator Agreement.....	3-38
Exhibit 3.2: Sample Completed ODFI/Originator Agreement	3-49
Exhibit 3.3: Sample Consumer Debit and Credit Authorizations	3-58

Chapter 4

Receipt of ACH Entries

Warranties	4-1
Right to Request a Copy of Receiver's Authorization.....	4-1
Verification of Pre-Notifications	4-2
Reliance on Account Number.....	4-2
Receipt and Availability of ACH Entries.....	4-4
Reliance on Standard Entry Class Codes	4-4
Crediting of ACH Entries.....	4-4
Consumer Credit Entries	4-4
Corporate Credit Entries.....	4-5
Availability to the Consumer of Funds in an ACH Credit Entry.....	4-5
Debiting of ACH Entries	4-5
Information to Be Provided to Receiver About Each Entry	4-5
Providing Payment-Related Information to the Receiver.....	4-7
Notice to Receiver	4-7
Liability for Benefit Payments.....	4-8
Receipt of Death Notification Entry	4-9
Stop Payment Orders on ACH Debit Entries to Consumer Accounts.....	4-9
Stop Payment Orders on ACH Debit Entries to Corporate Accounts	4-10
International ACH Transactions.....	4-10
Compliance Tips for Receiving Institutions	4-11

Chapter 5

Returns and Corrections Generated by Financial Institutions

Returning ACH Entries	5-1
Time Frame for Return Entries	5-1
Return of Credit Entries Returned by Receiver.....	5-2
Settlement of Return Entries.....	5-2
Reasons for Returning ACH Entries.....	5-3
Return Reason Codes	5-3
Returning International ACH Transactions	5-8
IAT Return Reason Codes.....	5-9
Extended Return Entries	5-10
Return Reasons and Codes for Extended Return Entries.....	5-10
IAT Extended Return Entries	5-13
Restrictions on Returning ACH Transactions.....	5-13
Codes for Exceptions on Returning ACH Transactions	5-13
Reinitiation of Returns	5-14
Compliance Tips for Returning Entries	5-14
Dishonoring Return Entries.....	5-16
Codes for Dishonoring Returned Entries	5-16
Contesting Dishonored Return Entries.....	5-17
Codes for Contested Dishonored Return Entries.....	5-18
Compliance Tips for Dishonoring Return Entries and Contesting Dishonored Return Entries	5-19
Correcting ACH Entries.....	5-20
Notifications of Change	5-20
Notifications of Change for IAT Entries.....	5-21
Receiving Financial Institution Warranties	5-21
Notification of Change Codes.....	5-21
Refused Notifications of Change.....	5-22
Codes for Refused Notifications of Change.....	5-23
Compliance Tips for Notifications of Change	5-24
Guidance for Preparing the Written Statement of Unauthorized Debit	5-25

OTHER ACH PARTICIPANTS

Chapter 6

Corporate Originators

The Corporate Originator	6-1
Originating Depository Financial Institution.....	6-1
ACH Operator	6-2
Receiving Depository Financial Institution	6-2
Receiver.....	6-2
Third-Party Service Provider	6-2

Third-Party Service Provider as Third-Party Sender.....	6-2
ACH Origination Flow Charts	6-3
ACH Credit Origination.....	6-3
ACH Debit Origination.....	6-4
ACH Origination Using a Third-Party Service Provider	6-4
ACH Origination Through a Third-Party Sender.....	6-5
Data Security.....	6-5
Use of ACH Transactions by the Originator.....	6-6
Prearranged Payment and Deposit Entry (PPD)	6-6
Cash Concentration and Disbursement (CCD).....	6-6
Corporate Trade Exchange (CTX).....	6-7
Represented Check Entry (RCK)	6-7
Accounts Receivable Entry (ARC).....	6-7
Point-of-Purchase Entry (POP)	6-7
Back-Office Conversion Entry (BOC).....	6-8
Internet-Initiated/Mobile Entry (WEB).....	6-8
Telephone-Initiated Entry (TEL)	6-8
International ACH Transactions (IAT)	6-9
Use of Pre-Notification Transactions.....	6-9
Applying Transaction Codes.....	6-9
Obligations of Originators	6-10
Authorizations, Agreements, and Notice Requirements.....	6-10
Consumer Debit Entries.....	6-11
Returned Check Entries (RCK).....	6-11
Accounts Receivable Entries (ARC)	6-12
Point-of-Purchase Entries (POP).....	6-14
Back-Office Conversion Entries (BOC)	6-16
Internet-Initiated/Mobile Entries (WEB)	6-17
Telephone-Initiated Entries (TEL).....	6-18
PIN Requirements.....	6-19
Origination of Files by Originators.....	6-19
Risk Management.....	6-19
Exposure Limits.....	6-20
Creating ACH Data.....	6-20
Dating of Originated Entries	6-20
Settlement of Originated Entries.....	6-21
Submission of Originated Files by the Originator to the ODFI	6-21
Creating and Submitting Reversing Files.....	6-22
Creating and Submitting Reversing Entries.....	6-22
The Originator's Role in OFAC Compliance	6-22
What to Do When ACH Transactions Are Returned.....	6-23
What to Do When a Notification of Change Is Received	6-23
Originator Audit Obligations.....	6-24
Compliance Tips for Originators	6-25

Chapter 7 ACH Operators

ACH Operators.....	7-1
Federal Reserve.....	7-1
Federal Reserve Bank Operating Circular No. 4.....	7-1
Delivery to the Federal Reserve of Originated Items.....	7-2
Delivery by the Federal Reserve of Received Items	7-2
Federal Reserve Settlement Schedule	7-3
FedACH SameDay Service	7-3
Processing of Government ACH Items by the Federal Reserve Bank.....	7-5
Electronic Payments Network (EPN)	7-5
Electronic Payments Network Processing and Settlement Schedule	7-5
Inter-Operator Exchange	7-7
ACH Operator Security Procedures	7-7
ACH Operator Monthly Return Data Reporting	7-8
Data Security.....	7-8
ACH Operator Settlement.....	7-8
Obligations of ACH Operators	7-8
Returns by the ACH Operator.....	7-9
Rejects by the ACH Operator	7-11
Compliance Tips.....	7-13

Chapter 8 Financial Institution/Third-Party Service Provider Relationships

Outsourcing of ACH Received Files Processing	8-1
RDFI Liability When Outsourcing to a Third-Party Service Provider.....	8-1
RDFI/Third-Party Service Provider Relationship Management.....	8-2
Originating Depository Financial Institution/Third-Party Service Provider Relationship Dynamics.....	8-2
ODFI Use of Third-Party Service Provider for File Creation.....	8-2
ODFI Use of Third-Party Service Provider for File Creation and File Submission.....	8-3
ODFI Liability When Using a Third-Party Service Provider	8-3
ODFI/Third-Party Service Provider Relationship	8-3
ODFI/Third-Party Sender Relationship	8-4
Agreements	8-5
Receiving Depository Financial Institution/Third-Party Service Provider Agreements.....	8-5
Receipt of ACH Files.....	8-5
Receipt of ACH Files and File Processing.....	8-5
Receipt of ACH Files, File Processing and Exception Handling.....	8-6
Originating Depository Financial Institution/Third-Party Service Provider Agreements.....	8-7
ODFI Use of Third-Party Service Provider for File Creation	8-7
ODFI Use of Third-Party Service Provider for File Creation and File Submission.....	8-8
Third-Party Service Provider as Third-Party Sender.....	8-9

Third-Party Service Provider as Contingency Processor	8-11
Rule Compliance	8-11
Data Security.....	8-12
Audit Requirements	8-12
OFAC Compliance	8-12
Exhibit 8.1: Sample RDFI/Third-Party Service Provider Agreement for Receipt of ACH Files	8-13
Exhibit 8.2: Sample RDFI/Third-Party Service Provider Agreement for Receipt and Processing of ACH Files.....	8-15
Exhibit 8.3: Sample RDFI/Third-Party Service Provider Agreement for Receipt and Processing of ACH Files and Exception Processing.....	8-17
Exhibit 8.4: Sample ODFI/Third-Party Service Provider Agreement for File Creation and Submission to ODFI.....	8-19
Exhibit 8.5: Sample ODFI/Third-Party Service Provider Agreement for ACH File Creation and Submission to ACH Operator	8-21
Exhibit 8.6: Sample ODFI/Third-Party Sender Agreement When Files Are Submitted to ODFI	8-23
Exhibit 8.7: Sample ODFI/Third-Party Sender Agreement When Files Are Submitted to ACH Operator.....	8-26

COMPLIANCE ISSUES

Chapter 9

Rules Enforcement

Initiation of Rules Enforcement Proceeding by a Participant	9-3
Initiation of Rules Enforcement Proceeding by NACHA	9-5
Action Process	9-5
Notice of Possible Rules Violation	9-6
Notice of Possible Fines.....	9-6
ACH Rules Enforcement Panel	9-7
Fines and Penalties.....	9-7
Class 1 Rules Violation	9-8
Class 2 Rules Violation	9-8
Class 3 Rules Violation	9-9
Suspension.....	9-9
Disputes Involving ACH Transactions.....	9-9
Filing a Complaint.....	9-11
Dispute Classifications.....	9-12
Procedure A: Damages \$250 - \$10,000.....	9-12
Procedure B: Damages \$10,000 - \$50,000	9-12
Procedure C: Damages \$50,000+	9-12
Selecting Arbitrators	9-13
Decision Process.....	9-14
Payment and Appeal.....	9-15
Tips for Financial Institutions on Responding to Reports of Possible Rules Violations.....	9-16

Chapter 10 Regulatory Compliance

Compliance Issues for Federal Government ACH Transactions	10-1
Comparison of 31 CFR 210 to the ACH Rules	10-2
Reclamation of Government Benefit Payments	10-3
Right of the RDFI to Limit Liability.....	10-4
The Green Book.....	10-5
Automated Enrollment for Government Benefit Payments	10-5
Return Entries.....	10-6
Notifications of Change.....	10-7
Refused Notifications of Change.....	10-7
Compliance Tips.....	10-8
Regulation E.....	10-9
Disclosure of Information.....	10-9
Periodic Statements.....	10-10
Authorizations and Consumer Notices.....	10-11
Consumer Liability.....	10-11
Error Resolution	10-11
Stop Payments.....	10-12
Notice of Debit Transactions Varying in Amount.....	10-13
Notice of Preauthorized ACH Credits to Consumer Accounts	10-13
Record Retention.....	10-13
Receipts.....	10-13
Electronic Communication Requirements	10-14
Federal Enforcement Agencies	10-14
Compliance Tips.....	10-14
Uniform Commercial Code Article 4A.....	10-15
Compliance by Originating Financial Institutions	10-16
Execution of an Entry by the ODFI	10-16
Acceptance of an Entry by the ODFI.....	10-16
Financial Institution as ODFI and RDFI.....	10-17
Cancellation and Amendment of Originated Entries.....	10-18
Liability for Erroneous Entries Transmitted by the ODFI.....	10-18
Liability of the Originator for Erroneous Entries.....	10-19
Commercially Reasonable Security Procedures.....	10-19
Compliance by the Receiving Financial Institution.....	10-19
Acceptance by the RDFI.....	10-19
Availability of Funds by the RDFI.....	10-20
Notification to the Receiver by the RDFI of Receipt of Entry.....	10-20
Choice of Law	10-20
Compliance Tips.....	10-21
Office of Foreign Assets Control	10-22
ACH OFAC Policy.....	10-23

Originator Compliance.....	10-23
ODFI Compliance	10-23
Domestic Transactions	10-24
International Transactions	10-24
Gateway Operator Compliance	10-25
ACH Operator as Gateway Operator.....	10-25
Financial Institution as Gateway Operator	10-25
RDFI Compliance.....	10-26
Domestic Transactions	10-26
International Transactions	10-26
Receiver Compliance	10-26
Third-Party Service Providers	10-26
Reporting Requirements	10-27
Compliance Tips.....	10-27
Regulation CC.....	10-28
Compliance Tips.....	10-30
Regulation D	10-30
Compliance Tips.....	10-31
Exhibit 10.1: Model Clauses Contained in Appendix A of Regulation E to Be Used for Initial Disclosures and Error Resolution Notice.....	10-33

RISK MANAGEMENT

Chapter 11 Risk Management

Credit (Exposure) Risk for the ODFI	11-1
ODFI Controls for Credit Risk.....	11-2
Exposure Limit Policies	11-3
Credit (Exposure) Risk for the RDFI.....	11-4
RDFI Controls for Credit Risk.....	11-5
Operational Risk.....	11-5
Hardware Failure.....	11-5
Controlling Hardware Failure.....	11-5
Software Failure	11-6
Controlling Software Failure.....	11-6
Telecommunication Failure	11-6
Controlling Telecommunication Failure	11-6
Power Failure	11-7
Controlling Power Failure.....	11-7
Human Error.....	11-7
Controlling Human Error	11-8
Inefficient Staffing.....	11-8
Controlling Staffing Issues.....	11-8

Systemic Risk	11-8
Controlling Systemic Risk.....	11-9
Disaster Recovery.....	11-9
Excused Delay.....	11-9
Conducting an ACH Risk Assessment	11-10
Regulator Risk Assessment Expectations and Guidance	11-10
Risk Assessment Categories	11-11
ACH Processing.....	11-12
Internal Controls	11-14
Credit Risk Management.....	11-18
Vendor Management.....	11-20
Board Awareness	11-21
Risk Assessment Team	11-22
Risk Assessment Documentation	11-22
Regular Risk Assessment.....	11-22
Remote Deposit Capture	11-23
Risk Assessment.....	11-23
Legal and Compliance Risks	11-24
Operational Risks	11-25
Mitigation and Controls	11-26
Due Diligence and Suitability	11-26
Vendor Due Diligence and Suitability	11-26
RDC Training for Account Holders.....	11-27
Contracts and Agreements.....	11-27
Business Continuity	11-28
Other Mitigation and Control Considerations.....	11-28
Measuring and Monitoring.....	11-28
Compliance Tips.....	11-29
Exhibit 11.1: Sample ACH Risk Management Policy.....	11-31
Exhibit 11.2: ACH Risk Assessment Checklist	11-37

Chapter 12

Fraud Risk

Internal Fraud Risk.....	12-1
Protect Physical Processing Area	12-1
Encrypt Transmitted Data.....	12-1
Control and Test Software Changes	12-2
Protect Originator and Third-Party Sender Settlement Information.....	12-2
Use ACH File Controls	12-2
Schedule Originated Files.....	12-3
Send File Acknowledgements.....	12-3
Balance Files Throughout Processing.....	12-4
External Fraud Risk.....	12-4

Know Your Customer or Member.....	12-6
Controls for the Originator and Third-Party Sender.....	12-6
ACH Network Fraud-Fighting Tools.....	12-7
Exposure Limits.....	12-8
Setting Exposure Limits.....	12-9
Monitoring Exposure Limits.....	12-10
Reviewing Exposure Limits	12-10
Controlling Incoming ACH Transaction Fraud.....	12-10
ACH Block	12-11
ACH Receipt Authorization.....	12-11
Reverse Positive Pay	12-11
Account Monitoring	12-11
Returning an Unauthorized ACH Debit	12-11
Fraud Control Tips.....	12-12

ACH AUDIT

Chapter 13

ACH Rules Compliance Audit

Audit Basics.....	13-1
ACH Participants That Must Conduct an Audit.....	13-1
Audit Document Retention.....	13-1
Auditor Qualifications	13-1
Conducting a Risk-Based ACH Audit.....	13-2
Audit Worksheets	13-2
Audit Worksheets Update	13-3
Completing Audit Worksheets	13-3
Make a Note of Contributors.....	13-3
Retain Documents Copies.....	13-3
Standards	13-3
Sampling	13-4
Rules Compliance Audit Requirements for All Financial Institutions.....	13-4
Record Retention.....	13-4
Electronic Record Retention.....	13-5
Prior-Year Audit Verification.....	13-5
Data Security.....	13-6
Payment of Fees	13-6
Rule Compliance Audit Requirements for the RDFI.....	13-7
Prenotifications.....	13-7
Notifications of Change	13-8
Acceptance of ACH Transactions	13-8
Availability of Credits	13-9

Posting of Debit Entries.....	13-9
Periodic Statements.....	13-10
Returned Entries.....	13-11
Returned Credit Entries	13-12
Return or Adjustment of Erroneous Entry	13-13
Stop Payment Orders	13-13
Stop Payment Order Placed on Source Document or Item (Adjustment Entries)	13-13
Written Statement of Unauthorized Debit.....	13-14
Notification Requirements for UCC Article 4A.....	13-15
Corporate Payment-Related Data	13-16
Third-Party Service Provider as Receiving Point	13-17
Rules Compliance Audit Requirements for Originating Financial Institutions	13-18
Agreements	13-18
Exposure Limits.....	13-20
WEB Entries.....	13-20
Return Entries.....	13-21
Notifications of Change.....	13-21
Copy of Authorization.....	13-22
Permissible Return Entries.....	13-22
UCC Article 4A	13-23
Agreements Obtained Over Unsecured Electronic Network.....	13-24
Reversing Files and Entries	13-25
Back-Office Conversion Entry Originators	13-25
Reporting to NACHA	13-26
Direct Access Registration	13-26
Keeping Originators and Third-Party Senders Informed of Responsibilities	13-27
Review of the ODFI/Originator Agreement.....	13-28
Review of ODFI/Third-Party Service Provider Relationship	13-29
ODFI/Third-Party Service Provider Agreement.....	13-30
Third-Party Service Provider Audit.....	13-30
Review of ODFI/Third-Party Sender Relationship.....	13-30
ODFI/Third-Party Sender Agreement.....	13-31
Third-Party Sender Audit.....	13-32
Third-Party Sender/Originator Agreement.....	13-32
Review of Policies and Procedures.....	13-33
Receiving Financial Institution.....	13-33
Originating Financial Institution	13-33
Audit Report	13-34
Audit Scope	13-34
Summary of Audit Recommendations	13-35
Audit Rating and Comments.....	13-35
Date of Prior Annual ACH Audit	13-35
Audit of Received and Originated ACH Activity.....	13-36
Rules and Regulations Compliance	13-36

Review of Third-Party Service Provider and/or Third-Party Sender Relationship	13-36
Review of Policies and Procedures.....	13-36
Exhibit 13.1: Sample ACH Audit Policy	13-37
Exhibit 13.2: Sample RDFI Audit Worksheet.....	13-39
Exhibit 13.3: Sample ODFI Audit Worksheet	13-46
Exhibit 13.4: Sample Audit Reports.....	13-54
Sample Checklist-Style Audit Report for Receiving Financial Institution.....	13-55
Sample Checklist-Style Audit Report for Receiving and Originating Financial Institution	13-57
Sample Audit Report for Receiving-Only Financial Institution.....	13-60
Sample Audit Report for Receiving and Originating Financial Institution	13-62

APPENDIXES

Appendix A Glossary of Terms

Appendix B Regional Payments Associations

Appendix C Direct Financial Institution Members of NACHA

Appendix D ACH Operators

Appendix E EPN Rules 2011

Appendix F Federal Reserve Banks Operating Circular No. 4

Appendix G Resources

Appendix H ACH Considerations in a Merger or Acquisition

Appendix I ACH Risk Management Guidance