



## ACH Originator Compliance Checklist - (June 2026 NACHA Rules)

### 1. Fraud Monitoring Controls

- We have written fraud-monitoring procedures that apply to all ACH activity, including ACH credits and ACH debits.
- Our monitoring looks for both unauthorized transactions and transactions that were authorized but based on fraud (such as business email compromise or fake vendor requests).
- We understand what “normal” ACH activity looks like for the company (including usual dollar amounts, volumes, timing, and recipients).
- We promptly review and investigate any unusual or suspicious ACH activity.
- We review and update our ACH fraud-monitoring procedures at least once a year to address new or emerging risks.
- We ensure we use the Bank’s multi-factor authentication method to login to our account(s)

### 2. Payment Instructions, Dual Control & Change Verification

- ACH transactions follow the bank’s dual-control requirements and proper separation of duties.  
One authorized employee creates or enters the ACH transaction.
- A different authorized employee reviews and approves the ACH transaction before it is released.
- When vendor or payroll payment instructions change, we independently verify the change using a different communication method (for example, calling a known phone number instead of replying to an email).
- Employees are not allowed to rely only on emails when confirming changes to payment instructions.

### 3. Standard Company Entry Descriptions

- Payroll ACH credits use the Company Entry Description “PAYROLL” in all capital letters.
- Consumer web-based debit transactions use the Company Entry Description “PURCHASE” in all capital letters.
- Company Entry Descriptions are used consistently across all ACH files.
- ACH software and file formats have been updated to ensure these descriptions are applied correctly.

### 4. ACH Authorizations & Recordkeeping

- We have valid, NACHA-compliant authorizations for every ACH transaction we originate.
- Authorizations are kept on file and can be provided upon request, consistent with NACHA record-retention rules.
- Our authorization process is reviewed at least once a year.

### 5. Annual Employee Training & Awareness

- Employees involved in ACH origination are trained on common fraud risks such as business email compromise, payroll diversion, and invoice fraud.
- Training explains how and when to escalate suspicious ACH activity.
- Employees clearly understand their responsibilities for ACH entry, approval, verification, and release.