



# Ca\$hTrac

## ACH PAYMENT AWARENESS



### BEST PRACTICE TECHNIQUES

- Always set up dual control for outgoing payments. One user to initiate the ACH and a second user to approve the ACH.
- Review user permissions and limits. Administrators should set user permissions and limits based off your company's historical transmissions. These permissions and limits should be reviewed periodically and any users no longer with the company should be immediately removed.
- Obtain written authorizations from all ACH participants. Any time you set up a new participant to either send money to or receive money from you are required to have them sign an authorization agreement. You must keep these on file for at least 2 years after the revocation of the authorization.
- Take action immediately to correct an ACH participant's banking information when a Notice of Return or Correction is received. For changes to routing or account number, you are required to receive a new authorization form from the participant.
- Send out your ACH payments using the correct payment type:
  - o PPD – payments to/from individuals (*addenda information optional*)
  - o CCD – payments to/from other companies (*addenda information optional*)
- Monitor and reconcile your accounts daily. Administrators should periodically review the ACH reports, found within the system, for suspicious batches or participants within a batch. Immediately report any unknown activity to the Bank.
- Verify that ACH participants are not on the Specially Designated Nationals List (SDN) which can be found on the official OFAC site below. The fines for sending payments to participants on the SDN list can be substantial. <http://www.treas.gov/offices/enforcement/ofac/>
- Make sure to verbally confirm all emailed ACH payment requests with the sender prior to approving.
- Verify and confirm all changes to known vendor/supplier payment instructions with your primary contact.

For more information,  
please visit our website at [www.FirstAmBank.com](http://www.FirstAmBank.com)  
or call us at 847-952-3701.

