ACH FRAUD MONITORING PROGRAM TEMPLATE

Purpose of this Document
This template is designed to help organizations document their ACH fraud monitoring practices in alignment with Nacha Operating Rules effective June 2026. It is intended to inspire thoughtful, risk-based fraud monitoring practices, provide tangible documentation that can be shared during audits or reviews, and support annual review and ongoing program maturity.

Section 1: Organization Information

Legal Entity Name: _____

Primary Business Activity: _____

ACH Origination Type(s): Select from the drop-down list: _____

Estimated ACH Volume (Annual) ($): _____

Primary ACH Contact: _____

Date of Initial Documentation: _____

Last Annual Review Date: _____

Section 2: Fraud Monitoring Governance and Oversight
Describe how responsibility for ACH fraud monitoring is assigned and overseen:

Section 3: Monitoring for Unusual Changes in Payment Amounts, Timing or Frequency (see Index for assistance)
Describe current monitoring practices:

Section 4: Reviewing and Validating Changes to Payee, Vendor and Payroll Account Information (see Index for assistance)
Describe validation and approval practices:

Section 5: ACH File Review, Approval and Segregation of Duties (see Index for assistance)
Describe review and approval controls:

Section 6: Training and Awareness
Describe training practices:

Section 7: Annual Review and Program Updates

Review Date: _____

Reviewer: _____

Summary of Changes: _____

Next Review Date: _____

INDEX: THINGS TO CONSIDER

Section 3: Monitoring for Unusual Changes in Payment Amounts, Timing, or Frequency
ACH Originators should consider whether they have processes to identify activity that deviates from their normal ACH patterns, such as:

- **Payment Amounts**
  - Sudden increases in dollar amounts compared to historical transactions
  - Payments that exceed internal thresholds or typical limits
  - Round dollar or unusually precise amounts that differ from past behavior
- **Timing**
  - Payments initiated outside normal business hours
  - ACH files submitted at atypical times (e.g., weekends, holidays)
  - Last minute or urgent payment requests that bypass normal scheduling
- **Frequency**
  - Increased volume of payments to a single recipient
  - Multiple payments submitted in rapid succession
  - New recurring payments established without prior history

Section 4: Reviewing and Validating Changes to Payee, Vendor, and Payroll Account Information
ACH Originators should consider controls and processes to detect, assess, and validate changes to sensitive payment instructions, including:

- **Identification and monitoring of new or modified bank account information,** including changes to:
  - Employee payroll accounts
  - Vendor payment instructions
  - Settlement or concentration accounts
- **Increased scrutiny of change requests,** particularly those received via:
  - Email communications
  - Phone calls or voicemail
  - Urgent, confidential, or unusual requests
- **Validation and verification procedures,** such as:
  - Independent callbacks using established, known contact information
  - Confirmation with a second, independent source
  - Secondary approval or review prior to changes taking effect
- **Awareness of common fraud scenarios** associated with payment instruction changes, including:
  - Business Email Compromise (BEC)
  - Payroll diversion schemes
  - Vendor or employee impersonation
- **Documentation and audit trail requirements,** including:
  - Who requested the change
  - How the change was verified and by whom
  - Approvals obtained prior to implementation
  - When the change was implemented and when payments were released

Section 5: ACH File Review, Approval, and Segregation of Duties

ACH Originators should consider controls to ensure ACH files are appropriately reviewed, approved, and duties segregated to reduce the risk of fraud or unauthorized transmission, including:

- **ACH file review and approval prior to release,** such as:
  - Dual control or Drafter/Approver processes
    - One individual prepares or drafts the ACH file
    - A separate individual reviews and approves the file prior to transmission
- **Review considerations may include:**
  - Total dollar amount of the ACH file
  - Number of entries compared to normal or expected activity
  - Presence of new or recently added payees or bank accounts
- **Escalation and exception handling procedures** for:
  - Out-of-pattern files or unusual activity
  - High-dollar or otherwise high-risk transactions
- **Segregation of duties within ACH processes** to ensure no single individual can:
  - Create or modify payees
  - Initiate ACH files
  - Approve and release ACH files
- **System access and administrative controls,** including:
  - Limiting administrative access to ACH systems
  - Periodic review of:
    - User access rights
    - Role assignments
    - Access for terminated or transferred employees
- **Compensating controls,** when full segregation is not feasible (e.g., small staff environments), such as:
  - Enhanced management review
  - Independent monitoring or post-release review
- **Documentation requirements,** including:
  - Evidence of ACH file reviews and approvals
  - Documentation of exceptions and escalation outcomes