FedACH Risk® Management Services

Quick Reference Guide

Creating an
RDFI Alert Service Criteria Set:
Incoming Transactions from
A Known Problematic/Suspect Originator

A BATCH-level Criteria Set
RDFI Alert Criteria Set: Incoming Transactions from a Known Problematic/Suspect Originator

Benefits

Criteria sets created to notify on incoming transactions from known problematic/suspect originators

- Can help your institution’s ACH operations staff prepare to validate and return potentially problematic transactions as quickly as possible

- Can help your institution’s risk management and fraud monitoring staff
  - Watch, on the process day in advance of the settlement date, for potentially fraudulent entries coming in from originators identified on industry watch lists
  - Take proactive measures to protect customers

- Act as a useful tool regardless of whether ACH processing is on-site or through a processor

- This quick reference guide will show you how to create a criteria set within the FedACH Risk RDFI Alert Service screens in the FedLine Web® access solution that is designed to automatically generate alerts when the criteria conditions are met

- Information needed
  - Company ID and/or Company Name and/or ODFI routing number of the items your institution is receiving (These are not your institution’s originators)
  - Some possible sources: information from internal processing software and FedLine® access solution “Search for Batch” screens
RDFI Alert Criteria Set:
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Universal Tips

➢ Please make NOTE of these universal TIPS for creating criteria:

 ✓ Always locate and click the SUBMIT button before moving away from an entry screen in order to ensure your work is saved

 ✓ File-level criteria sets use “OR” logic to allow a combination of criteria fields such as file debit value of $X OR credit value of $X

 ✓ Both Batch and Item-level criteria sets use “AND” logic: conditions set in ALL criteria fields need to be met before an alert is sent. For example, a problem would be created by setting both a debit value AND a credit value for an item

 ✓ SEC code definitions apply; for example, a TEL cannot be a credit transaction. Use care not to inadvertently create an impossible combination

 ✓ Be sure to scroll down through entire entry screen
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Overview of criteria creation steps

- Criteria Level:
  - ✓ BATCH

- Assign email addresses for the designated audience: financial institution’s 1) operations staff and/or associated shared mailbox email addresses for problematic originators and/or 2) risk management and/or fraud staff email addresses for suspect originators

- Give criteria set a meaningful name, e.g. “Problem1 Sloppy Joe’s Fraud Shop”

- Criteria field(s):
  - ✓ Company ID (of problematic/suspect corporate originator) - mandatory
  - ✓ and optionally Company Name (of corporate originator)
  - ✓ and optionally also ODFI RTN

- Assign email addresses to receive alerts for this criteria set

- Click SUBMIT

- Email Alert: If criteria conditions are met, designated financial institution contacts receive email alerts at time FedACH Services sends out receipt files, typically four times per day, regardless of when the files are posted into the RDFI’s core application

- NOTE: A separate batch-level criteria set needs to be created for each problematic/suspect originator for which you want the service to scan and send alerts
RDFI Alert Criteria Set: Incoming Transactions from a Known Problematic/Suspect Originator
Batch-level Criteria

- Select the “Batch Alert RDFI Maintenance” from the RDFI Alert menu
- Select the appropriate RDFI ABA from the drop down list.
  - RDFIs acting as their own service participation point (SPP) will only see their ABA.
  - SPPs will see a list of all the ABAs for which they are performing maintenance.
- “Next” will show all the criteria sets established for the selected ABA
Service Overview of the three entry tabs

**On Email Heading tab**, enter / modify existing RDFI information to display in item-level alert email headings.

Enter the financial institution’s name and contact information for the chosen RTN to be used on email notifications generated for any item-level alerts when and if item-level criteria are established. This heading information needs be entered only once, ideally the first time you begin using the service.

**On Email Contact tab**, enter / modify an email address book for contacts at the RDFI who will receive alert notices.

Enter RDFI internal staff or shared mailbox email addresses to receive alert notification emails; build “address book” of possibilities and assign contacts per criteria set.

**On Criteria tab**, enter / modify batch level scan criteria for an RDFI

Mix and match fields to create sets of unique monitoring criteria; each set gets a unique numeric identifier. Also assign email contacts to receive alerts for the particular criteria set.
The information entered on the “Batch Alert RDFI Maintenance” Email Heading Information tab appears on all item-level alert emails, both on those sent out to your customers/clients (receivers) as well as on those sent to internal RDFI staff.

- Use the “contact information” field to direct customer inquiries to call centers or website URLs.

NOTE: If this task has already been completed, skip to next slide.

This criteria set is a batch-level criteria set that will generate emails to staff internal to your financial institution rather than to external customers. This heading information does not appear on batch-level email alerts, however we recommend you go ahead and get it set up at the time you establish your first criteria set in the service. If you would like to see how this RDFI heading information would show on an item-level alert established for and sent to a customer, a sample is available on FRBservices.org / Service Offerings / FedACH Services / FedACH Risk RDFI Alert Service / Sample batch and item-level notification emails at http://www.frbservices.org/serviceofferings/fedach/rdfi_file_alert.html#sample
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Batch Alert Email Contact Information

This is where you set up your email address book of contacts to receive notifications for any alert criteria you establish for the RTN you selected. Group emails can be used.

You will be able to assign emails from this address book to each set of criteria you choose to set up for this RTN.

Enter the individual or group contact names and contact email addresses of those you want to receive alert email notifications when criteria are met for this RTN.

Once an entry is made, click “Add Contact.”

Continue to build an email address book for this RTN. You will pick and choose which contact emails to assign to this criteria set in a later step.

NOTE: If users already have contacts established in the FedPayments® Reporter Service, they can use the “Import Contact” feature to import contacts for a particular RTN into the RDFI Alert Service.

Internal ACH operations staff, fraud/risk managers and/or shared mailbox names
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Batch Alert Criteria Information

- Click the “Criteria Information” tab

- All established Criteria Sets for the designated ABA / RTN appear on this tab
  - Add additional Criteria Sets by clicking Add New
  - Edit or delete established Criteria Sets by clicking Edit or Delete
    - New/edited Criteria Sets are effective the next business day
- NOTE – Scanning for RDFI Batch alerts occurs after each file delivery

- To begin setting up the Known Problematic/Suspect Originator criteria, click “Add New”
Enter a scan criteria name for this criteria set, e.g. “Problem1 XYZ Problematic Originator.” This will appear in the email notification.

Enter the Company ID

Optional - may also choose to enter a Company Name

Optional - may also choose to enter a ODFI RTN

NOTE: the more criteria fields you include in the set, the more specific the condition that must be met before notice is sent; it is suggested that criteria set conditions not be made any more restrictive than necessary

Scroll down to see the contact/email section in the bottom half of the entry screen
Select an email contact from those available in the address book you set up for this RTN.

Click "add" to add to contacts selected to receive notifications on this criteria set. Each alert criteria set must have at least one email contact noted in the Selected Contacts section and can have a maximum of 10 email contacts.

Add or Remove email contacts by clicking Add and Remove.

IMPORTANT NOTE: “Continue” returns you to the first criteria information screen where you MUST click SUBMIT to save your entries.

Note: many institutions do not rely on email notifications of criteria met to research alerts. Rather, they designate a person to research alert activity on a routine basis by going into their FedLine® access solution “Batch/Item Alert Scan Results” screens.
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Batch Alert: Saving Entries

Once email contacts have been assigned to the criteria set and you have clicked “continue” to return to the Criteria Information home screen, be sure to

- Click “Submit” to save your entries
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Alert Emails: Sample Batch-level Scan Notification

When the RDFI Alert Service finds a match to your criteria, the notification email is sent to the contacts you selected, and you can use the link provided in the email to go into FedLine access solution screens to research the details.

**NOTE:** Many institutions do not rely on email notifications to research alerts. Rather, they designate a person to research alert activity on a routine basis by going into their FedLine® access solution “Batch/Item Alert Scan Results” screens.
FedACH Risk RDFI Alert Service

For Help


• Contact the FedACH® Services Central Operations Support (COS) Site via information on FRBservices.org/Contact Us/FedACH Services/FedACH Central Operations Support Site at http://www.frbservices.org/contactus/fedach_operations.html

• Find contact information, such as your institution’s account executive and FedACH sales specialist, on FRBservices.org/Contact Us/My FedDirectory® Service at http://www.frbservices.org/contacts/index.jsp

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