

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

F E D E R A L
R E S E R V E



F I N A N C I A L
S E R V I C E S

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:

Incoming Transactions from a Known Problematic/Suspect Originator

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

RDFI Alert Criteria Set:

Incoming Transactions from a Known Problematic/Suspect Originator

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

Risk Services

- ▶ Risk Origination Monitoring
- ▶ Risk Returns Reporting
- ▶ RDFI Alert
 - File Alert Maintenance
 - Batch Alert RDFI Maintenance
 - Item Alert Customer Maintenance
 - Batch/Item Alert Scan Results
 - RDFI Alert Reports

FedACH: Batch Alert RDFI Maintenance - Search
111111111 ACH Bank Pleasant Town, USA

Select RDFI from the drop-down list and click Next to see setup information about RDFI selected.

RDFI:

- Select RDFI ABA
- 222222222
- 333333333
- 111111111
- 444444444
- 555555555

- 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

RDFI Alert Criteria Set: Incoming Transactions from a Known Problematic/Suspect Originator Batch Alert RDFI Maintenance

Risk Services

- ▶ Risk Origination Monitoring
- ▶ Risk Returns Reporting
- ▶ RDFI Alert
 - File Alert Maintenance
 - **Batch Alert RDFI Maintenance**
 - Item Alert Customer Maintenance
 - Batch/Item Alert Scan Results
 - RDFI Alert Reports

Batch Alert RDFI Maintenance

FedACH: 11111111 ACH Bank Pleasant Town, USA

11111111 FI manages only itself

IMPORTANT: Select Submit to apply all RDFI setup changes. Submit Cancel

Email Heading Information	Email Contact Information	Criteria Information
<p>The following text fields can be used to identify the name and contact information of your financial institution. This information will appear at the top of the emails generated.</p>		
<p>RDFI Name: <input type="text" value="header1"/></p> <p>Example Text: ACH Bank, Pleasant Town, USA</p>	<p>Contact Information: <input type="text"/></p> <p>Example Text: Telephone: 555-555-5555, Fax: 555-555-5555, email: Customer.Service@ACHBank.com, url: www.ACH.EDI.com</p>	

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.

RDFI Alert Criteria Set:

Incoming Transactions from a Known Problematic/Suspect Originator

Email Heading Information: **One-time setup** of RDFI Information

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

A screenshot of the FedACH Batch Alert RDFI Maintenance form. The form title is "Batch Alert RDFI Maintenance" and it shows details for "111111111 ACH Bank Pleasant Town, USA". There are three tabs: "Email Heading Information", "Email Contact Information", and "Criteria Information". The "Email Heading Information" tab is selected. It contains a text input field for "RDFI Name" with the value "ACH Bank" and a "Contact Information" field with the value "1 800 555-1234 or treasury.services@achbank.com". There are "Submit" and "Cancel" buttons. The form also includes an "IMPORTANT" message: "Select Submit to apply all RDFI setup changes." and an explanatory text block: "The following text fields can be used to identify the name and contact information of your financial institution. This information will appear at the top of the emails generated." Example text for the RDFI Name is "ACH Bank, Pleasant Town, USA" and for Contact Information is "Telephone: 555-555-5555, Fax: 555-555-5555, email:Customer.Service@ACHBank.com, url:www.ACH.EDI.com".

- 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.

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.frbervices.org/serviceofferings/fedach/rdfi_file_alert.html#sample

RDFI Alert Criteria Set: Incoming Transactions from a Known Problematic/Suspect Originator Batch Alert Email Contact Information

FedACH: Batch Alert RDFI Maintenance
111111111 ACH Bank Pleasant Town, USA

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IMPORTANT: Select Submit to apply all RDFI setup changes.

Email Heading Information | **Email Contact Information** | **Criteria Information**

When a criteria or threshold is met or exceeded, an alert email will be sent out to contacts selected from the list below. Up to 100 email addresses may be defined.

To set up a new Contact, enter the Contact Name and the Contact Email Address in the space provided then click Add Contact. To edit or delete an existing Contact, click the appropriate icon next to the corresponding Contact Name.

For RDFIs who also subscribe to FedEDI Plus and Reports and would like to use the same contacts, click Import Contact to import contact information from the FedEDI Plus and Reports service.

Contact Name:

Contact Email Address:

Internal ACH operations staff, fraud/risk managers and/or shared mailbox names

Contact Name	Contact Email	Edit	Delete
Susan	sue@email.com		

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.

RDFI Alert Criteria Set: Incoming Transactions from a Known Problematic/Suspect Originator

Batch Alert Criteria Information

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IMPORTANT: Select Submit to apply all RDFI setup changes.

Email Heading Information | **Email Contact Information** | **Criteria Information**

To identify a new Scan Criteria click the Add New button below. To edit or delete an existing Scan Criteria, click the appropriate icon next to the corresponding Scan Criteria.

Scan Criteria Name	Scan Criteria ID	Edit	Delete
Problem1 XYZ Problematic Originator	1		

- 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”

RDFI Alert Criteria Set: Incoming Transactions from a Known Problematic/Suspect Originator

Batch Alert Criteria Information - continued

FedACH: Batch Alert - Criteria Maintenance
111111111 ACH Bank Pleasant Town, USA

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Criteria Information
There is a monthly charge per scan criteria set, and a per batch fee for each batch matched for alerting purposes. Please see the FedACH Services Fee Schedule at <http://www.frbervices.org/> for more details.

Enter the information below to create a New Scan Criteria. The Scan Criteria ID is auto populated but can be overwritten during the creation of a new Scan Criteria.

At least one criteria must be defined. If more than one criteria is defined then an batch alert will be triggered when all criteria defined are met.

Scan Criteria Name: Scan Criteria ID:

Alert Criteria

Send an Alert for all Batches

ODFI ABA:

Company Name:

Company ID: ←

Company Entry Description:

SEC Code:

Credit Dollar:

Debit Dollar:

Item/Addenda Count (>=):

Immediate/SameDay Settlement only:

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

RDFI Alert Criteria Set: Incoming Transactions from a Known Problematic/Suspect Originator

Batch Alert Criteria Information - continued

To subscribe an existing Contact to the Alert, select the Contact from the Available Contacts box, and click the down arrow to add them to the Selected Contacts box. A maximum of 10 Contacts can be assigned to an Alert.

The screenshot shows a web interface for managing alert criteria. At the top, the 'Available Contacts' section is circled in blue. It contains a table with two columns: 'Contact Name' and 'Contact Email'. The table lists one contact: Susan with email sue@email.com. Below this table are two buttons: 'Add' (with a downward-pointing triangle) and 'Remove' (with an upward-pointing triangle). The 'Add' button is also circled in blue. Below the buttons is the 'Selected Contacts' section, which is also circled in blue. It contains a table with two columns: 'Contact Name' and 'Contact Email'. The table lists two contacts: Agnes with email aggie@email.com and Jimmy with email jimbo@gmail.com. A blue arrow points from the 'Add' button to the 'Selected Contacts' table. At the bottom of the interface are three buttons: 'Continue', 'Reset', and 'Cancel'.

Contact Name	Contact Email
Susan	sue@email.com

Add Remove

Contact Name	Contact Email
Agnes	aggie@email.com
Jimmy	jimbo@gmail.com

Continue Reset Cancel

Please click Continue to return to the RDFI Maintenance page. You must click Submit on the RDFI Maintenance page to save your changes.

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.

RDFI Alert Criteria Set: Incoming Transactions from a Known Problematic/Suspect Originator Batch Alert: Saving Entries

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IMPORTANT: Select Submit to apply all RDFI setup changes.

Submit Cancel

Email Heading Information | Email Contact Information | **Criteria Information**

To identify a new Scan Criteria click the Add New button below. To edit or delete an existing Scan Criteria, click the appropriate icon next to the corresponding Scan Criteria.

Add New

Scan Criteria Name	Scan Criteria ID	Edit	Delete
Problem1 XYZ Problematic Originator	1		

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

RDFI Alert Criteria Set: Incoming Transactions from a Known Problematic/Suspect Originator

Alert Emails: Sample Batch-level Scan Notification

From: Will be from the Fed

Sent: <date>

To: email for DFI internal recipient you entered into service

e.g.
fraudgroupsharedmailbox@AC
HBank.com

Subject: Indicates a match was found

Provides file and receiving point information for specified ABA.

The following list summarizes the batch(es) matching your RDFI Batch Alert Criteria:

Match 1
Scan Criteria Name: Problem Originator1 XYZ
Scan Criteria ID: 1001
Number of Batches Matching Scan Criteria: 2

Match 2
Scan Criteria Name: High Dollar Transactions
Scan Criteria ID: 2001
Number of Batches Matching Scan Criteria: 6

Provides directions and links to use to research the batch(s) for more information.

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

- Review a chart of RDFI Alert Criteria Field Definitions on FRBservices.org/Operations Resources/FedACH Services Resources/FedACH Risk Management Services Resources at <http://www.frbservices.org/operations/fedach/index.html>
- Review handbooks and other quick reference guides at FRBservices.org/Operations Resources/FedACH Services Resources/FedACH Risk Management Services Resources at <http://www.frbservices.org/operations/fedach/index.html>
- 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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