Latest updates include:

- Conversion of most of our in-person events that were scheduled to take place through June 30, 2020 to live or on-demand webinars
- Remote delivery of audit and risk assessment services through June 30 from ePayAdvisors
- Nacha guidance on proper and improper uses of Reversals in the ACH Network
- Nacha announcement of temporary relief from deadlines for delivery of certain records
- Related links and resources

Digital Delivery and Postponement of Education Events

There is nothing more important than the health and safety of our members, clients, partners, and staff. In light of updated guidance from the CDC and other federal and local authorities, ePay is in the process of converting most of our in-person events that were scheduled to take place through June 30, 2020 to live or on-demand webinars. Those events that are not suitable for webinar delivery will be rescheduled at an appropriate time in the future. We will be contacting all impacted registrants with details as they are available. Please regularly check our website at epayresources.org for the status of individual events. Please do not hesitate to call us at 1-800-475-0585, Option 2 if you have any questions about our events.

Waiver of Self-Study Limit for Continuing Education Credits

Nacha’s AAP Blue Ribbon Panel and the APRP Oversight Panel have approved a temporary waiver of the maximum number of Continuing Education Credits (CECs) that can be earned via self-study. The AAP and APRP Continuing Education Guidelines currently allow for a maximum of 10 hours per year earned via self-study. This temporary waiver allows you to obtain all of the maximum 20 hours earned in calendar year 2020 through self-study, in-house, or online seminars.

Remote Delivery of Audit and Risk Assessment Services

All audit or risk assessment engagements with our subsidiary, ePayAdvisors, scheduled to take place on or before June 30, 2020, will be performed remotely. Remote delivery is always an option for these services but will be required through June 30. Please contact us at 1-800-475-0585, Option 5 if you have any questions.
ACH Processing Schedules and Business Continuity Planning

Please note that all published Federal Reserve processing deadlines and funds availability schedules for ACH processing remain in effect. Your institution should be reviewing your business continuity plan now to ensure that you are prepared to maintain ACH payment processing capabilities in the event of possible disruption. In addition to their own business continuity plans, financial institutions should understand the expectations of their regulators and ACH Operators with regard to ACH processing in potential scenarios of workforce disruption. The Nacha Operating Rules permit a financial institution to delay performance of its obligations under the Rules beyond required time limits if:

1. The delay was caused by the interruption of communication or computer facilities; and,
2. The delay was beyond the reasonable control of the financial institution seeking the excused delay.

Whether a delay is beyond the reasonable control of the party asserting an excused delay must be determined based on the available facts and circumstances surrounding the delay, including whether the financial institution exercised the level of diligence required under such circumstances. A delay caused, in whole or in part, by the failure of a financial institution to maintain or implement an appropriate business continuity plan is not excused under the Rules for that financial institution. Please call us at 1-800-475-0585, Option 1 if you have questions about your institution’s business continuity plan for ACH processing.

Temporary Relief from Deadlines for Delivery of Certain Records

On March 20, Nacha announced that in light of the current need for organizations to reduce on-site staffing levels, they are providing temporary relief from deadlines for delivery of certain records that are required under the Nacha Rules. For the duration of the National Emergency concerning the coronavirus, Nacha will refrain from recommending enforcement penalties for cases in which a Proof of Authorization or a Written Statement of Unauthorized Debit is provided after the existing 10 Banking Day timeframe but within 20 Banking Days.

Nacha encourages ODFIs and RDFIs to cooperate and to fulfill these obligations under the Rules as quickly as circumstances permit. ODFIs and Originators should be mindful that utilizing a longer timeframe for providing PoAs could lead to an increase in returns based on claims of unauthorized entries. However, the relief provided by Nacha will allow ODFIs, their Originators, and RDFIs to adapt to the new operating environment without risk of enforcement penalties. In addition, Nacha’s Rules enforcement process can accommodate short extensions of required violation responses on a case-by-case basis. Please call us at 1-800-475-0585, Option 1 if you have any questions. Click here to read Nacha's full Operations Alert.

Nacha Guidance on Proper and Improper Uses of ACH Reversals

As some businesses potentially face a cash shortfall due to the significant interruption of normal commercial activity, Nacha wants to refresh all ODFIs’ understanding of the proper and improper uses of Reversals in the ACH Network. The Nacha Operating Rules permit Reversals only for a limited set of circumstances to correct errors. See the 2020 Nacha Operating Rules,
Subsection 2.9.1 on Reversing Entries for a listing of these circumstances. The Nacha Operating Rules do not permit Reversals due to a client’s failure to fund an ACH file, whether it is an ODFI’s direct customer, or whether it is the customer of an ODFI’s Third-Party Sender customer. The Rules also do not permit Reversals of prior payments because a business is facing a cash shortfall. If a business is facing a cash shortfall, the Rules do not permit the business (or its processor) to claw back previous salary and wage payments to employees made via ACH, payments made to suppliers and vendors by ACH, or other similar payments.

It is essential to the operation of the ACH system that RDFIs and their Receivers be able to rely on the ACH credit files they receive. It is therefore incumbent on ODFIs, for their own protection, to work with their Originators and Third-Party Senders to ensure that proper funding has been addressed when originating those credit files. While valid Reversals are an important and useful tool to correct errors, and do not require authorization by Receivers, invalid Reversals may be considered unauthorized, and may be subject to penalties as Rules violations. Please call us at 1-800-475-0585, Option 1 if you have any questions.

We wish you all the best and stand ready to support you as we navigate this challenging situation together.

RELATED LINKS:

Centers for Disease Control (CDC)

World Health Organization (WHO)

Federal Emergency Management Agency (FEMA)

Global Resilience Federation

Federal Reserve Financial Services