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 AAP and APRP 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 their 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](#).

**Temporary Relief from Signature Requirement for WSUD**

The Nacha Rules require an RDFI to accept a consumer’s **Written Statement of Unauthorized Debit** (WSUD), and also require that the WSUD be signed or similarly authenticated. In light of the current need for many RDFIs to reduce on-site staffing levels, and the physical distancing requirements that currently apply to many people, Nacha will not enforce the signature/similar authentication requirement until further notice.

Additional things that RDFIs can do and should understand:

- RDFIs can direct consumers to report unauthorized debits by remote channels – e.g., online and by telephone. RDFIs that have the ability for consumers to similarly authenticate signatures by these remote channels should continue to do so;

- Before submitting a return, RDFIs should continue to take reasonable care to have the consumer verify claims of unauthorized ACH debits consistent with signature-based procedures to avoid improper returns;

- The existing extended return timeframe of 60-days for claims of unauthorized debits to consumer accounts still applies.

**Nacha Extends Effective Date of Data Security Rule**

In November 2018, the Nacha membership approved a set of rule changes related to ACH quality and risk management. Included as part of these rules changes is a supplement to the existing Rules on data security. In response to requests from some covered parties for additional time to come into compliance with the Rule requirements, Nacha is extending each of the two effective dates by one year:
• Phase 1 of the Rule, which applies to ACH Originators and Third Parties with more than 6 million ACH payments annually, is now effective on June 30, 2021.
• Phase 2 of the Rule, which applies to ACH Originators and Third Parties with more than 2 million ACH payments annually, is now effective on June 30, 2022.

Covered parties are urged to become compliant with the new Rule as soon as circumstances permit, but no later than these new effective dates. The new Rule supplements existing Rules by requiring ACH Originators and Third Parties to protect account information used in ACH payments by rendering it unreadable when stored electronically.

Please note that the 2020 effective date of two other Rules will remain in effect:

April 1, 2020 – Differentiating Unauthorized Return Reasons – Beginning on the effective date, RDFIs may begin to use return reason code R11 for a debit for which there is an error, but for which there is an authorization. This differentiates R11 returns from those using R10, which will still mean that a consumer claims a debit was not authorized.

October 30, 2020 – ACH Contact Registry – Financial institutions participating in the ACH Network are required to register limited contact information with Nacha by October 30, 2020. While the ACH Contact Registry itself will become available earlier on July 1, 2020, Participating DFIs are not required to register by this date.

If you have any questions, please call the Payments Answerline™ at 1-800-475-0585, Option1.

Shift of NCP Testing Window and Postponement of Exam Review

The Clearing House and ECCHO are moving and expanding the testing window for the 2020 NCP Exam to August 29 - October 3. Registrations for the examination will be accepted through August 28. Click here for more information, ePay is working to postpone our in-person NCP exam reviews to July 20 - 21 in Dallas and July 23 - 24 in Charlotte.

ePay wishes you all the best and we 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

Nacha (includes current fraud threats)