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How ACH Originators and Third-Party Senders Can Stay Audit Ready All Year

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The ACH Network makes it easier for businesses to move money, but sending ACH Entries also comes with responsibilities. ACH Originators are businesses that send ACH Entries, such as payroll or payments, while Third-Party Senders (TPSs) provide ACH processing or payment services to Originators. If your business sends ACH payments or helps other businesses send them, you may be an Originator or TPS.

Staying organized throughout the year can help your business respond quickly when your financial institution or TPS requests documentation or reviews your ACH activity.

Know Your Role

For ACH Originators, consider these practical steps:

- **Keep authorization records:** Maintain evidence that customers or employees authorized ACH Entries and that changes or revocations are handled appropriately.
- **Use ACH correctly:** Make sure you use the appropriate Standard Entry Class (SEC) Codes and follow the terms of your ACH agreement.
- **Monitor your activity:** Keep an eye on transaction volumes, dollar amounts, exposure limits and Return activity. Investigate unusual activity or increases in Returns.
- **Keep records current:** Maintain current agreements, procedures, authorization records, training records and documentation showing how ACH issues were resolved.

For Third-Party Senders, consider these practical steps:

- **Know the businesses you serve:** Perform appropriate onboarding and due diligence before allowing an Originator or downstream customer to originate ACH Entries.
- **Understand their activity:** Confirm the purpose of their ACH activity,

expected volumes and dollar amounts, permitted SEC Codes and applicable exposure limits.

- **Monitor relationships:** Periodically review Originator and downstream customer activity, Return Rates, risk changes and compliance with agreements.
- **Keep evidence:** Document due diligence, reviews, approvals, issues and corrective actions so you can demonstrate that oversight is happening.

Make Audit Readiness Part of the Routine

You don't need to wait for an annual audit to check your ACH program. Set aside a little time each month or quarter to:

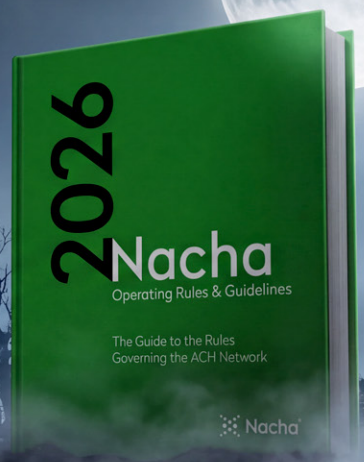
- Review a sample of authorization records.
- Confirm agreements and Originator or downstream customer information are current.
- Review Return activity and investigate exceptions.
- Check exposure limits against actual activity.
- Make sure issues have an owner, a due date and a documented resolution.
- Save supporting documentation as decisions and reviews happen rather than trying to recreate them later.

The goal is simple: If someone asked you tomorrow to show how your ACH program operates, could you quickly provide the records to support it? A little ongoing review can make that answer much easier.

Don't Let Recent *ACH Rules* Changes Haunt You

The latest *ACH Rules* changes took effect September 18th, including earlier funds availability for non-Same Day ACH credits and an updated definition of an International ACH Transaction (IAT). Don't let these changes become a ghost of your past processes. Revisit our ***2026 ACH Rules Update for Corporate Originators and Third-Party Senders*** for a refresher on these and other 2026 Rule changes.

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