



ACH Data Security – where to begin...

Presented by
Meg Prieur, AAP

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Today's Agenda

- Define the ACH Security Data rule
- Discuss the elements on what to address in a data security program

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ACH Security Framework Rule

Source: NACHA Operating Rules & Guidelines

Key Components

1. Protect sensitive data and access controls
2. Self Assessment
3. Verification of Third Party Senders and Originators



Applies to:

- Financial Institutions
- Originators
- Third Party Processors
- Third-Party Senders

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These policies, procedures, and systems must:

protect the confidentiality and integrity of Protected Information;

protect against anticipated threats or hazards to the security or integrity of Protected Information; and

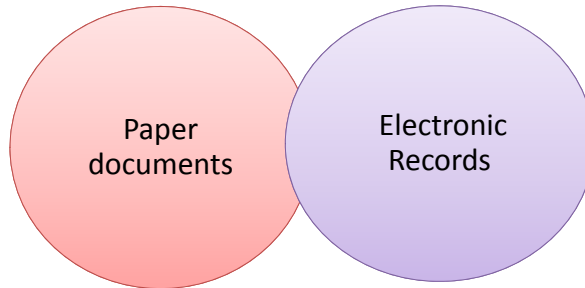
protect against unauthorized use of Protected Information that could result in substantial harm to a natural person.

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Protected Information

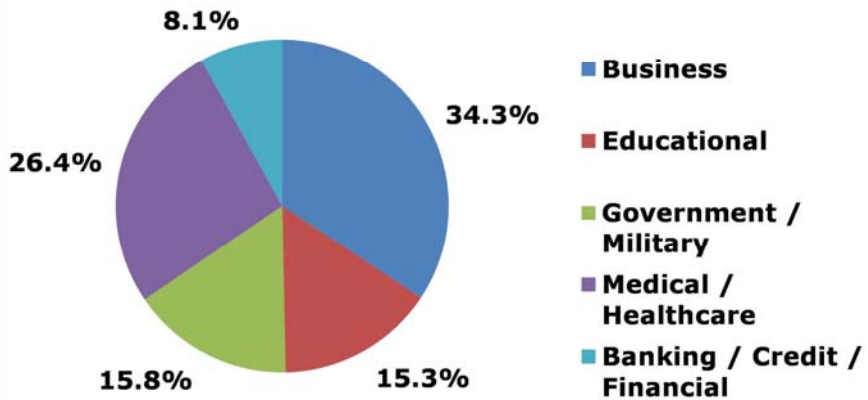
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Percentage of Data Breaches by Industry Sector (2005-2014)

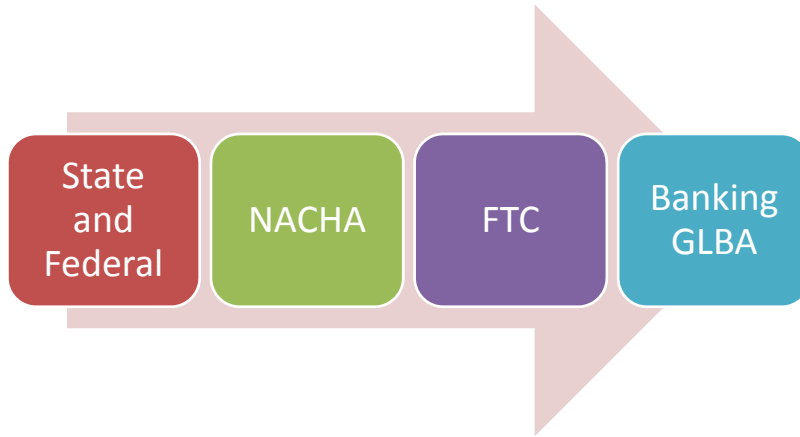


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Resource: Identify Theft Resource Center



Fines and Enforcement

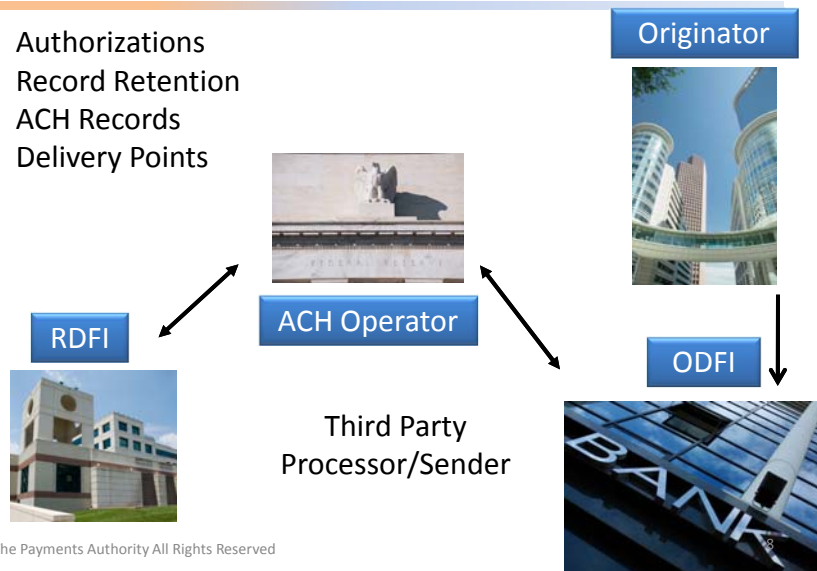


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ACH Process Flow

Authorizations
Record Retention
ACH Records
Delivery Points



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Data Security Management Program

- Who should be responsible.
- It's a journey not a destination
- Leverage other standards and consolidate efforts.



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Data Mapping

*People can't protect
what they don't know exists.*

Scott A. Bailey

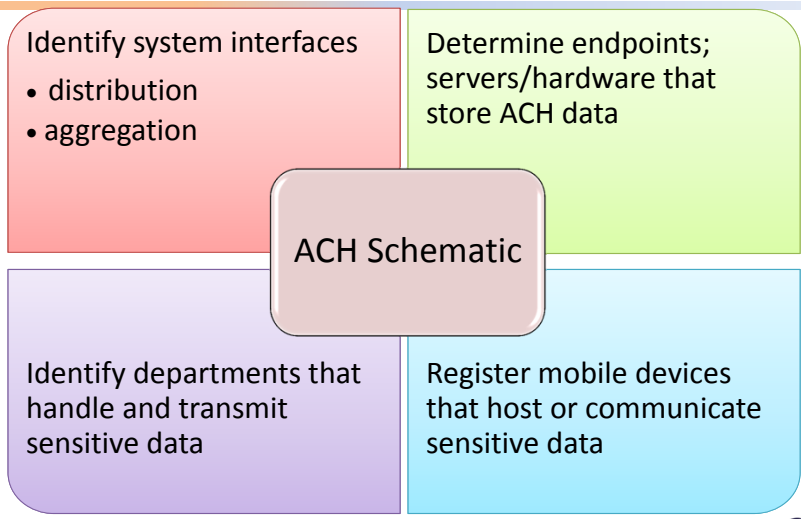
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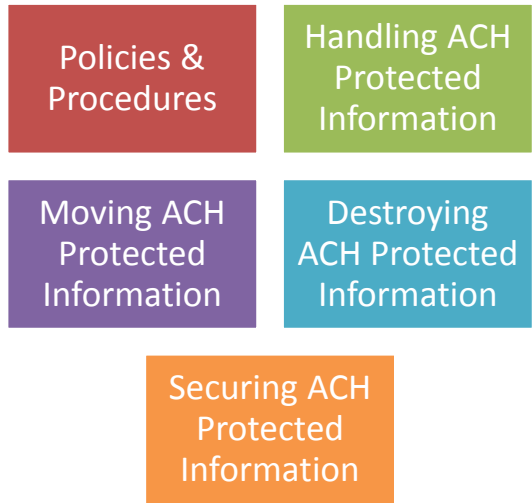
Assess ACH Delivery Methods



Assess your ACH Activity



Self-Assessment



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Policies & Procedures

- Information Security
- Privacy Online banking
- ACH Management
- Vendor Management
- BSA/AML Policy
- Incident Response
- Change Management
- Disaster Recovery/Business Continuity
- Clean desk
- Know Your Customer/Due Diligence



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Handling ACH Protected Information

- Identify ACH information that is collected.
 - What is collected
 - How is it collected
 - Where is it stored
 - How is it stored



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Moving ACH Protected Information



Online banking

Secure File delivery

Hand delivered files

Secure email



- What data is moved
- How is it secured
- What devices are used
- Who has access

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Destroying ACH Protected Information

Document paper
destruction/shredding



Electronic Media

Document file
deletion



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Securing ACH Protected Information

- Perimeter Security
 - Firewall, IDS, IPS, etc.
- Anti-Virus / Anti-Malware
- Encryption
- Dedicated Devices
- Restricted Access / Controls
- Security Awareness Training
- Testing / Monitoring



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ACH Audit Requirement

Verify that the DFI has...

Established, implemented and updated:

- Applies to :
- Third-Party Processors
 - Third-Party Senders
 - Originators

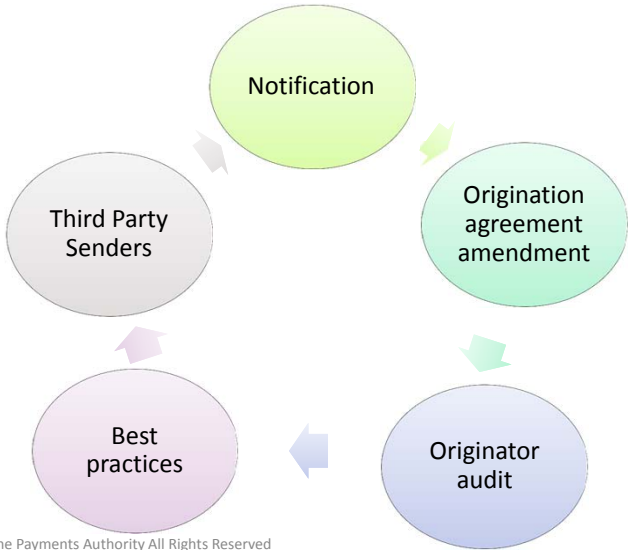
- Policies
- Procedures
- Systems



regarding the initiation, processing and storage of ACH data



Educating the Corporate Customer



Third-Party Vendor Due Diligence Plans for Success

Review of data security policies and procedures

Review incident response plan and notification requirements

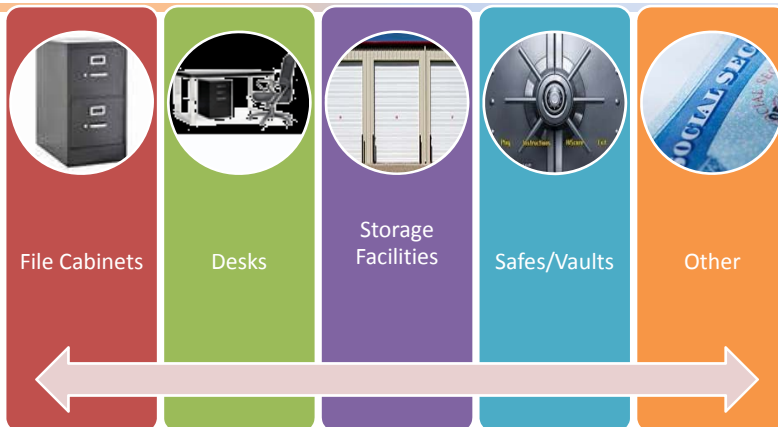
Financial solvency, insurance coverage, references

- SSAE 16 reports
- Onsite visits
- Agreement

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Don't Forget the Paper



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Questions?



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About

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Affiliations



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As a Sponsoring Organization, TPA can now offer our members the opportunity to join ECCHO at a greatly reduced rate. ECCHO members receive access to rules, check education and access to support from their professional staff in handling problem checks and finding check adjustment resolution between ECCHO members.

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580 Kirts Blvd | Suite 301 | Troy, MI 48084
(800) 450-2508

info@thepaymentsauthority.org
www.thepaymentsauthority.org

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