

<b>CASH MANAGEMENT AGENCY MANUAL</b>		NUMBER 02 18 07.PO
OFFICE OF THE STATE TREASURER	<b>POLICY</b>	EFFECTIVE December 1, 2006
CHAPTER	AUTOMATED CLEARING HOUSE (ACH)	
PART	ACH ORIGATION	
SECTION	ACH NOTIFICATIONS	APPROVAL

Authority      ORS 293.875

#### PURPOSE OF THE POLICY

- .101      This policy documents requirements and responsibilities for agencies regarding Prenotifications (prenotes) and Notification of Change (NOC). Failure to comply with these requirements may result in monetary losses to the agency or the agency's customers, vendors, or clients. Failure to comply may also result in termination of agency's use of ACH.

#### AGENCY RESPONSIBILITIES

- .102      Agency is responsible for correcting notification of change (NOC) and returned items. Agency is responsible to correct all NOC's within the timelines prescribed by the NACHA Operating Rules.
- .103      Agency will update its systems for any account number or other required changes occurring due to bank acquisitions and mergers, or other reasons, within the timeframe prescribed by the State Treasurer's Office for such changes. Additional costs incurred by the Treasurer for the agency's failure to make such changes within the timelines established by the Treasurer's Office will be reimbursed by the agency.
- .104      Agency shall initiate prenotes for all recurring ACH transactions unless otherwise agreed to by The Treasurer's Office. Agency is required to wait for the NACHA prescribed waiting period before initiating a transaction to the prenoted account. (The exception is for inter-agency (On us) prenotes that are not transmitted to the bank. These prenotes will only be required a day in advance of the transaction.)