

BECOMING NACHA CERTIFIED: *EASIER THAN YOU THINK*



Becky Wagner, senior compliance analyst at Paychex

At 36 pages, the criteria for becoming a Nacha Certified Third-Party Sender “is a little daunting when you first look at it.”

That’s what Becky Wagner thought—though she’s quick to add that Nacha helped at every step of the way.

Wagner is a senior compliance analyst at Paychex, which became Nacha Certified in April

2018. Rochester, New York-based Paychex serves some 650,000 payroll clients, and pays one out of every 12 private sector workers in the U.S.

Paychex had been looking into Nacha certification, but wasn’t sure if it was the right time.

“We spent time with the folks at Nacha who explained the process and really made a compelling case for us,” said Wagner.

While the requirements to become Nacha Certified are clearly defined, Wagner said Nacha showed “a willingness to listen to the fact that we are a bit different than other third parties. We originate credits for payroll. There are other third parties that do more on the debit side.” Nacha understood how Paychex’s documentation worked with what was required for certification.

“What made it easier to navigate was the flexibility on Nacha’s part,” said Wagner. Paychex appreciated that Nacha read and understood Paychex’s policies and

procedures and got to know its business processes. And there was an added bonus for Paychex. “We were going to be the first payroll company” to become Nacha Certified, said Wagner. “We thought that would be good to be the first in the industry.”

Along with all of the requirements to meet, Wagner said Paychex was on a shortened timeframe. The company first met with Nacha in January 2018 and wanted to be certified in time for that April’s *Faster. PAYMENTS 2018* in order to display its new status at its booth.

Instead of a long onerous process, Paychex found it was actually quite simple. They have the annual Nacha Operating Rules compliance audit, an annual review of its risk assessment, and well-documented processes, policies and procedures. Nacha has a secure website that allowed Paychex to transfer everything to them. And Nacha doesn’t require an onsite visit.

“The goal was to get it done by the conference,” said Wagner. “And we did.”

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Paychex knew going into the process that there would be advantages to being Nacha Certified. Since achieving that status, Wagner said two things stand out.

“No. 1: Even though all of our processes were acceptable, we got good advice on how we could improve our risk processes, which is always valuable,” said Wagner.

“And, we’ve been able to leverage it in terms of discussions with our banks or regulators to say, ‘Not only do we have this good risk protocol within Paychex, we’re also certified by Nacha.’ I think that says something.”

For other Third-Party Senders considering becoming Nacha Certified, Wagner has two words: “Pursue it.”