

Reducing Fraud and Errors in Payment Initiation: *A Checklist Approach*

A checklist approach to payments could help Originators comply with rules and regulations, avoid errors, and reduce fraud. Some of the steps are required by rule or law, while others are necessary to route the transaction appropriately. The checklist offers a low-cost guide that can provide value to a financial institution's payment initiation customers while increasing the quality of transactions the institution receives from its customers.

Sample Electronic Payment Checklist

- 1 >> Authenticate the requestor.
- 2 >> Confirm validity of authorization.
- 3 >> Verify account number of receiver.
- 4 >> Verify routing number of receiver.
- 5 >> Confirm effective date of transaction.
- 6 >> Confirm payment-related information.
- 7 >> Confirm sufficient funds in funding account.
- 8 >> Obtain internal approval for transaction.
- 9 >> Initiate transaction.
- 10 >> Confirm transaction.



You'll find additional RMAG guidance, and can download NACHA's Risk Management Framework, at [Nacha.org/RiskFramework](https://nacha.org/RiskFramework)