Nacha’s ODFI Return Rate Reporting Rule improves ACH Network quality by reducing the incidence of exceptions, returned entries, and associated financial and reputational costs. Originating Depository Financial Institutions (ODFIs) are responsible for the continued monitoring of return rates of their Originators and Third-Party Senders.

**CALCULATING UNAUTHORIZED RETURN RATE THRESHOLD***

The Nacha Rule establishes the unauthorized return rate threshold at 0.5%. Make sure you are monitoring accurately by using one of these return rate calculations.

1. **The number of debits returned divided by the number of debits originated for the preceding 60 days or two calendar months**

   \[
   \text{DEBITS RETURNED} \div \text{DEBITS ORIGINATED} = \frac{500 \text{ debits returned}}{100,000 \text{ debits originated}} = 0.5\%
   \]

2. **The number of debits returned for the preceding 60 days or two calendar months divided by the number of debits contained within the files in which the original forward entries were transmitted**

   \[
   \text{DEBITS RETURNED} \div \text{ACH FILES} = \frac{500 \text{ debits returned}}{100,000 \text{ ACH files}} = 0.5\%
   \]

*Return Reason Codes for Unauthorized include R05, R07, R10, R11 and R29.