

**To:** Montgomery College Employees

**From:** Sophia Mason, Director of HR Business Services  
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Office of Human Resources and Strategic Talent Management

**Subject:** New Account Authentication Rule

**Date:** February 23, 2021

Per our message in the February 3 issue of the [Employee Matters newsletter](#), we have started working with PNC Bank, the College's financial partner, to authenticate bank accounts this week. **If you have a direct deposit bank account that is not in your name, either as a sole or joint owner, and did not remove or replace the account(s) with one in your name, that account(s) will fail authentication testing and will be cancelled. The amount allocated to the cancelled account will default to your main direct deposit account. If your main direct deposit account fails authentication testing, you will receive a paper check and will need to sign back up for direct deposit with an account in your name.**

This is necessary because the National Automated Clearing House (ACH) Association, the organization that establishes rules for processing electronic deposits and debits, announced a new authentication rule for web-based electronic payment transactions. Effective March 19, 2021, any business which originates web-based electronic payment transactions must validate these transactions prior to submission to the ACH network. This validation is to confirm that bank accounts are in the name of the individual receiving the funds. As a result of this requirement, the College will validate all bank accounts for electronic payments to ensure they are in an employee's name to avoid penalties and/or fines. We must complete authentication testing before this rule takes effect in March.

As a reminder, you can access the electronic direct deposit authorization form for all account changes through [MyMC](#). You may have up to three (3) accounts. View the full memo regarding the [electronic direct deposit authorization form](#) for additional details.

Please contact the [Payroll team](#) with any questions. Thank you.