ASC X9 Preparing New Standard To Enable Automation of Financial Audit and Verification Confirmations

ANNAPOLIS, Md. – March 30, 2021 -- The Accredited Standards Committee X9 Inc. (X9) is creating a new standard -- X9.147, Audit Confirmation and Account Verification Exchange -- that will enable the automated transport of financial audit confirmation and account verification requests. Use of this standard will streamline data exchange between financial institutions and others, saving time and effort and improving accuracy and efficiency. Interested parties are invited to participate in its development.

In today's environment, audit confirmations (customer-authorized requests for account data for use in independent audits), deposit verifications and account verifications are largely manual. Most requests are for specific account balances on specific days, verifications of deposits within a specific date range, or address verifications. This data is used by independent auditors to verify client records, and it is also used for other purposes, such as benefits eligibility inspections or supplemental verifications for lease qualifications.

The information requests are often quite easy to fulfill, but are very time consuming, especially during peak season (January through April each year), when request volumes can increase many times over. Requests are delivered in multiple formats through many different channels, ranging from customers themselves to third-party vendors, making a simple process manual and prone to error. Developing a data exchange that could map directly to a financial institution's deposit system has the potential to automate this activity almost completely.

The resulting efficiency could dramatically decrease the impact of these requests to the financial institution, especially during peak audit season, as well as providing faster and more accurate results to requesters. Beneficiaries of the new standard will include financial institutions, their deposit customers, independent auditors, leasing agents, and state and local governments issuing and verifying benefit eligibility.

In furtherance of this goal, X9.147 will establish the file sequences, record types and field formats to be used for the electronic exchange of these requests. Work will be carried out within the X9B5 Confirmations and Verifications Workgroup, which seeks input from individuals with

technical backgrounds and/or experience in audit confirmations and deposit and account verifications.

"The X9.147 project seeks to enable far more efficient presentment and consumption of audit confirmation and account and deposit verification requests into a financial institution, as well as the financial institution's response to those requests," said X9 Executive Director Steve Stevens. "All stakeholders will benefit, and we urge all who have an interest in this area to join us and contribute their expertise."

About the Accredited Standards Committee X9 Inc.
The Accredited Standards Committee X9 Inc. is a non-profit organization accredited by the American National Standards Institute (ANSI) to develop and maintain national and – through ISO -- international standards for the financial services industry. The subjects of X9's standards include: retail, mobile and business payments; corporate treasury functions; block chain technology; processing of electronic legal orders issued to financial institutions; tracking of financial transactions and instruments; financial transaction messaging (ISO 8583 and 20022); quantum computing; PKI; checks; cloud; data breach notification and more.

X9 acts as the U.S. Technical Advisory Group (TAG) for ISO TC68 (Financial), TC321 (E-Commerce) and TC322 (Sustainable Finance) and performs the secretariat functions for ISO TC68. Please visit our website (www.x9.org) for more information.

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