Preparing for the Test

2020 Exam Overview & Study Tips

July 23, 2020
2 pm ET / 1 pm CT/ 12 pm MT / 11 am PT
Disclaimer

The following slides are intended to assist NCP test takers in developing a plan for study with many tips from previous NCP test takers. These recommendations are not a guarantee to passing the NCP exam. Test takers must study and understand how to apply knowledge to questions and complex scenarios during the exam.
Today’s Agenda

• Study to Succeed
• Program Overview & Benefits
• COVID-19 Considerations
• The Exam
• ECCHO Study Materials
• Test-taker Tips
• Q&A
Study to Succeed

• ECCHO wants you to succeed in achieving your NCP certification

• NCP exam is detailed and can be difficult
  – Study and preparation are keys to success

• ECCHO provides many free study aids for registrants
  – Links to all here: [www.eccho.org/ncp_study_center](http://www.eccho.org/ncp_study_center)

• Today we’ll provide an overview of the exam and the preparation and study necessary to be well-prepared to sit for the NCP exam!
Program Overview

• NCP Exam window: Aug 29 – Oct 3, 2020
  – 5 full weeks this year due to change in dates
  – Anticipate standard April/May test window for 2021

• How many NCPs?
  – Since the program’s inception in 2011, 942 have passed the exam and earned the NCP designation
  – NCPs in 49 of the 50 states and in Guam

• 2020 is the NCP program’s 10th anniversary!
  – Special recognition for class of 2020
    • New all silver NCP pin – other 10th anniversary items
NCP Program Overview (continued)

• Continuing Education Requirements
  – Accreditation runs for 5 years
  – Renews in 5-year increments as requirements are met:
    • Earn 50 credit hours in eligible NCP CE credits
      – Max of 30 CE credits filed per calendar year
    • Complete three 90-minute ECCHO-hosted NCP Workshops
      – Max of 2 NCP Workshops per calendar year
      – Workshops are webinar sessions
        • Recordings also available for purchase
  • See NCP Continuing Education program guide for details
Benefits of Certification

- Good for the payments industry
  - Promotes security and accuracy in payments
    - Critical for payments and exceptions to be correctly handled to minimize risk
      - Reduces risk—tangible examples reported
- Good for your organization
  - Respected by auditors – recognized payments expert on staff
  - Appreciated by customers – able to quickly answer questions or assist with problems
    - NCPs are the “go-to” for check questions
- Good for you
  - Provides recognition
    - Recognized for your expertise – advance your career
  - Provides a valuable learning experience
    - Through exam prep and continuing education
- See what other NCPs are saying: https://www.eccho.org/ncpc_testimonials
COVID-19 Considerations
COVID-19 Considerations

• PearsonVUE Test Centers (Pearson Professional Centers)
  – Open for testing and accepting exam appointments
  – Complying with CDC and state/local government guidelines for health and safety
  – From the Country-specific updates (United States):

  • Our Pearson VUE-owned and operated Pearson Professional Centers are available for testing in the United States. We will continue to deliver exams to any independent third-party test centers (PVTC and PVTC Selects) who have the ability to operate within the United States.

  • If you exhibit symptoms upon arrival at the test center, you may be asked to reschedule your exam for another time when in full health.

  • You must bring and wear your own face mask while at a Pearson VUE-owned test center and throughout your exam. Any surgical or cloth face mask, including a homemade face mask, is acceptable as long as your nose and mouth are fully covered. Candidates without a face mask will be denied testing services. We are unable to provide face masks to candidates.

  • Please note: availability is limited at this time because we are following social distancing guidelines and government guidance. However, some test centers are extending their hours to be open nearly 24 hours a day. When you schedule your exam, be sure to note whether you’ve chosen a.m. or p.m. Please log in to your online candidate profile to search for a variety of dates and locations to schedule your exam and visit our FAQ page for more information.
PearsonVUE COVID-19 Updates

https://home.pearsonvue.com/coronavirus-update

Important test delivery information pertaining to COVID-19 (coronavirus)

The status of our global test delivery is changing rapidly due to the spread of COVID-19. We will continue to monitor the situation and make decisions about test center operations in accordance with government and local authorities. Please check this page often for frequent updates.

Face masks are now required while testing at Pearson VUE-owned test centers. More information

Updated: July 21, 2020

Latest health & safety requirements  Country-specific testing information  Candidate FAQs

Impact to candidate exam schedules

We know you have questions about the status of your exam and rescheduling or scheduling new exam appointments at this time. Appointment availability is limited due to social distancing precautions and varies by location, but some test centers in the United States have extended their hours to be open nearly 24 hours a day. When you schedule your exam, be sure to note whether you’ve chosen a.m. or p.m. (e.g., 12:00 a.m. midnight or 12:00 p.m. midday).

Our customer service wait-times are long right now as we work to help candidates across the globe. Please go to our FAQs to find out how to reschedule your exam.
PearsonVUE Face mask Requirement

• Excerpts below from PearsonVUE’s exam FAQ page

• Q. Am I required to wear a face mask?
  – A. Yes, you are required to bring and wear your own face mask during your entire testing experience at a Pearson VUE-owned test center. You will be asked to briefly remove the mask during the check-in process to take the required candidate photo.
  – Any surgical or cloth face mask, including a homemade face mask, is acceptable as long as your nose and mouth are fully covered.
  – Candidates without a face mask will be denied testing services. We are unable to provide face masks to candidates.
Future Updates

• Most current information is updated regularly on the PearsonVUE website:
  https://home.pearsonvue.com/coronavirus-update

• ECCHO will also keep you informed of any updates leading up to exam opening on Aug 29th
  – Watch for additional information next month
The Exam
What to Expect

• Question Format
  – 120 questions: Multiple-choice with 4 answer choices per question
  – 100 questions scored each year with 20 questions “piloted”
    • Pilot questions are evaluated to determine use on future exams
• Timing: 3 hours allotted for the exam
  – Plenty of time to answer all questions and go back and review “marked” questions (if any)
• Exam Questions:
  – Designed to test knowledge, not your ability to memorize
    • Definitional and general questions
      – Must know the definition, purpose, meaning or operation
    • Scenario-based questions
      – Must apply your knowledge to a situation
    • Questions that include a graphic
      – To illustrate question and/or provide additional information; must apply your knowledge to a situation
• Question Topics:
  – Based on the topics outlined in the NCP Exam Blueprint (see next slides)
NCP Exam Topics: Rules, Laws, and Regulations

• Demonstrate working knowledge of the following topics, as they relate to check, with respect to Reg CC, Reg J, UCC Articles 3 & 4, ECCHO Rules, Federal Reserve OC3 and selected sections of NACHA Rules and Regulation E.
  – Key terms defined in the rules, laws, and regulations
  – Eligible items
  – MICR line repair
  – Warranties
  – Indemnifications
  – Error resolution, returns, adjustments
  – Imperfect/Non-imageable items
  – Indorsements
  – Presentment
  – Re-presentment
  – Returns
  – Disclosures
  – Funds availability
  – Bank settlement & finality

34% of exam (34 of 100 scored questions)
NCP Exam Topics: Fraud and Risk Mitigation

- Demonstrate knowledge required to identify fraud and mitigate risk associated with check products and services and to comply with the regulatory requirements, including UCC Articles 3 and 4, BSA/AML, and FFIEC guidance.
  - Key provisions of laws, regulations and guidance
  - Definitions of types of fraud and risk
  - Allocation of risk
  - Consumer, bank, and commercial agreements
  - Risks associated with RDC and RCCs and electronically created items (ECIs)
  - Risk mitigation techniques
  - Data security and data breach
  - Business continuity/disaster recovery

25% of exam (25 of 100 scored questions)
NCP Exam Topics: Operations

• Demonstrate a comprehensive understanding of all aspects of check operations and key standards and formats.
  – Item processing
  – File control
  – Exception handling
  – Retention, retrieval, and destruction
  – Account Statements
  – Application of ACH format for check conversion
  – ANSI Standards

33% of exam (33 of 100 scored questions)
NCP Exam Topics: Products

• Demonstrate a basic knowledge of the types, benefits, and purpose of correspondent banking products (commercial and consumer products).
  – Types of checks
  – Global checks
  – Check conversion
  – Corporate and correspondent cash management products
  – Consumer check services

[See NCP Exam Blueprint for full details]

8% of exam (8 of 100 scored questions)
ECCHO Study Materials
ECCHO Preparation Materials

• Resources available to all exam registrants:
  – NCP Study Center: [www.eccho.org/ncp_study_center](http://www.eccho.org/ncp_study_center)
    • JumpStart Reading Program
    • NCP Roadmap
    • 2020 P.R.E.P. Guide
    • Question of the Day emails
      – Full summary document: Jan – April questions
      – Weekly cumulative summary document: May – August
  – NCP Guide program
    • Contact [ncpc@eccho.org](mailto:ncpc@eccho.org) if interested in a Guide
  – Two (2) pre-recorded webinars:
    • Introduction to Check Payments: Part I and Part II
NCP JumpStart Reading Program

• Path that outlines NCP resources (with links)
  – Suggests a quick overview of the materials
    • Good way to start studying
    • Start early—review all references

• Keep JumpStart on your desktop
  – Will always have access to each referenced resource
  – Easy reference as you prepare for the exam
NCP Roadmap

- Assist you in developing a comprehensive study plan including:
  - High level timeline
  - Steps in the test-taking process
    - Exam decision and registration with ECCHO
    - Selecting exam preparation training
    - Making your appointment with PearsonVUE
- Guidance and suggestions on how to approach the various study materials
  - Consider level to study using the available resources; for example:
    - Rules and Regulations (34% of the exam)
      - Study at a more detailed level
    - Check products (8% of the exam)
      - May not need to spend as much time
P.R.E.P. Guide

• Payments Resource and Exam Prep Guide
  – 300+ page study handbook - primarily designed as a training guide
    • Focus on Section Two, which include a range of information, and Section Two:
      – Rules and Agreements
      – Regulatory Environment
      – Warranties and Indemnification
      – Image Exchange
      – Fraud and Risk
      – Check Operations
      – Standards
      – Exceptions: Returns and Adjustments
      – Products
    – Various exhibits include Sample Multiple-Choice Exam and Glossary of Terms
    – Some areas overlap – intentional to reinforce key points; for example:
      • Rules with regulations and warranties and breach of warranty with related operational considerations
• Note: P.R.E.P. is not written in a “text book” format
Question of the Day

• Emailed each business day beginning 1st business day in January leading up to the Friday before the exam window opens
  — Today’s email: New question
  — Tomorrow’s email: Answer to yesterday’s question with another new question
• Excellent daily tool for self-study: Keeps NCP front-of-mind
• Questions are consolidated weekly
  — Link to that Summary included with each Friday’s question
• Open-ended style – may include additional information or references
  — Additional information provided to reinforce the concept presented in each question
• Create additional notes or personal flash cards where needed
  — Tip: Past NCPs test-takers have printed each weekly summary (2-sided) and placed in binder to flip through as study tool for review
NCP Guide Program

• Pairs a currently active NCP and a registered exam candidate

• Guide and NCP Exam Candidate discuss:
  – Milestones / timeline of NCP program
  – PSI test center experience
  – Partner training experience
  – Lessons learned / Tips on how to recall areas of study
  – ECCHO study aids
  – Guides help establish a study plan: provide general support and reminders

• Guide do not teach or provide question answers
  – See Guide Handbook for more information including:
    • Program overview
    • Detailed call ideas for your NCP candidate
    • Study tips to share

https://www.eccho.org/ncp_guide
Core Curriculum and Training

• NCP Exam Prep training series
  – Core content developed and maintained by ECCHO
  – Sessions offered by NCP Educational Partners usually as webinar series
    • 11 Core Training sessions provided (see next slide)
  – One or more review sessions recommended
    • Some Partners offer boot-camps or other in-person or virtual study and review classes
• See partner listing and available training options at: www.eccho.org/ncp-partners-providers
NCP Exam Prep: Core Training Course

• Eleven (11) sessions recommended for NCP Exam prep:
  – Check Payments and Check Processing
  – Regulations - Uniform Commercial Code
  – Regulations - Regulation CC – Part I
  – Regulations - Regulation CC – Part II
  – Standards and Formats
  – Image Exchange: Rules and Agreements – ECCHO Rules
  – Image Exchange: Processes
  – Exceptions - Returns and Adjustments
  – Check Products
  – Fraud, Risk, and Risk Mitigation
• Quiz and answer key provided for each session
Other NCP Study Aids

• ECCHO Education  [www.eccho.org/education](http://www.eccho.org/education)
  — Pre-recorded on-demand training available

• Check 101 Flash Cards
  — Provided by EPCOR

• CheckPro: Online testing tool
  — Provided by NEACH

• Other check classes from NCP Partners
NCP Training Partners

- ePayResources
- EPCOR
- First National Bankers’ Bank
- MACHA
- NEACH
- PaymentsFirst
- Southern Financial Exchange
- TCH Payments Authority
- UMACHA
- United Bankers’ Bank
- WACHA
- WesPay

https://www.eccho.org/ncp-partners-providers
Test-taker Tips
Study Time

• Passing NCP exam takes study—even if you have many years of experience

• How much time? Amount of time depends on you
  – How much expertise and tenure do you have working with check payments?
  – Breadth of experience?
  – Familiarity: Do you need to look up the answer or do you know the answer
  – Personal ability and comfort-level with taking tests (especially a multiple-choice format exam)

• May need to study more/less than others
  – Make your approach to study yours!

• Most common advice from prior test-takers:
  – Start early and set aside time to study
  – Study, study. . .repeat!
Tips from NCPs

• Exam prep training class
  – Instructor-led or on-demand
  – Don’t multi-task – turn off emails and phones
  – Ask questions – participate!

• Read all suggested materials
  – Highlight important points
  – Re-write/restate important points
  – Make notebooks (write it out in your own words)

• Buy/make flashcards and review often

• Study with others
Sample Study Program

• Complete NCP JumpStart Reading program

• Review the complete NCP RoadMap
  — Determine what you know and don’t know
  — Decide how much time you will have to study
  — Allocate your study time to cover all the topics (see NCP Exam Blueprint)

• Read through the NCP P.R.E.P. Guide
  — Mark areas that are unclear or that you need to review further
  — Read through those sections more than once
  — Take the quizzes at the end of key P.R.E.P. Guide sections

• Read all NCP Questions of the Day and scan through any additional materials provided
Sample Study Program

• Make your own notebooks/flashcards
  – Writing it out can reinforce tricky concepts

• Buddy up!
  – Form a study group or get an NCP Guide

• Phone a friend!
  – Ask experts or other NCPs at your organization to discuss topics or answer questions

• Hone your technique – Make if your own
  – Review materials until you know them without looking up the answers
  – Be able to recall and apply that knowledge during the exam
PRIOR to Exam

• Take a day off near exam time to focus on study
• Get plenty of sleep the night before
• Exam Logistics:
  – Know how to get to exam location *before* your test appt
  – Get to exam site early
    • Review flashcards one final time in the car
  – Make sure you have your required photo identification
    • Such as drivers license or passport

**IMPORTANT**

Ensure name you registered with is same as this id!
Pearson Professional Center Rules

- Know the rules
  - Remember your face mask (now required)
  - No study materials inside testing center
  - Only take keys, glasses and identification into the exam
  - No food, drinks, heavy coats, sweaters, cell phone or purse permitted
  - Have a plan for your personal items – your testing center may/may not have a locker
- Take earplugs if you are sensitive to noise
- Enlist Test Center Proctor to solve any issues
Standardized Test Taking Tips

• Go through and answer what you can
  — Mark questions that require more thought for later
  — Later questions could help trigger your memory

• Read all questions carefully
  — Ask yourself, “What is this really asking?”

• Don’t second guess yourself
  — It’s often best not to change answers

• Make sure you’ve answered all questions
NCP Test Taking Tips

• NCP Exam tests your knowledge of check and:
  – Your ability to apply that knowledge to business situations
    • Questions may be in the form of scenarios or story problems
      – Applied knowledge
      – Sketch them out (tool provided)
  – Narrow down your answer choices
    • Eliminate multiple choice answers that can’t be true
    • Choose the best answer
  – Pay attention to references in the question such as:
    • “According to Fed OC3. . .”
    • “Under the ECCHO Rules. . .”
    • “Based on the UCC. . .”
    • According to Reg CC. . .”
Tips for Re-Testers

- Look at your personal Candidate Results Report (example shown)
- Bar graphs matched to each of four exam categories:
  - Longer bars: Areas where you did well
  - Shorter bars: Areas needing more focus & more study next time
- Consider how much time did you spend studying?
  - What worked and what didn’t?
  - Did you utilize formal exam prep training?
  - Did you have a study buddy or study group?
  - Discuss ways to succeed with an NCP Guide
AFTER the Exam

• Make plans to celebrate your accomplishment of taking the exam
  – Regardless of result, you worked hard to get here – celebrate!
• Results “pass/fail” provided at test center at completion of exam
• Look forward to October for your individual report
  – Report with bar chart to indicate level of performance
    • Bar graph indicators for each of the four exam categories:
      – Rules/Regs, Risk/Fraud, Operations and Product
• New NCPs are mailed formal certificates with NCP lapel pin
  – New 10th anniversary pins this year
Next Steps

• Register with ECCHO for the Exam (if you haven’t yet)
• Confirm your exam appointment with PearsonVUE
  – Send a confirmation email with appointment date/time/location
  – Detailed directions to your testing center
  • Need help? Call 214-273-3218 for assistance
• Review “What to Expect at the Test Center” recorded webinar:
  https://www.eccho.org/ncp_considering
• Review the PearsonVUE Test System Demo:
  https://wsr.pearsonvue.com/demo/
• Call ECCHO with your questions: 214-273-3218
  – or email ncpc@eccho.org

Good Luck On The Exam!
And finally... a few Study Questions

- Did you know what rules and/or agreements govern check image exchanges?
- Do you know to which bank you should return a duplicate?
- Do you know which warranty applies to duplicates and where this is found?
- Do you know how the timing differs for returns versus adjustments?
- Do you know where to find these timings and other requirements to return or adjust a check payment?
- Do you know the difference in which bank is liable if an unauthorized check is altered versus a forged/counterfeit item?
- Do you know which record types (formats) are used for forward presentment of an image and for the return of an image?
- Do you know which bank makes the RDC Indemnity?
- Do you know which bank may file an RDC Indemnity claim?
- Do you know how an ECI is defined and where to find that definition?
- Do you know if ECIs are eligible for exchange via the Fed or under the ECCHO Rules?
Questions
Preparing for the Test
July 23, 2020

Thank You!

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