



# Brenham National Bank

## Same Day ACH FAQs

### Overview

In an attempt to provide a much quicker and efficient means to transfer money from one FI to another, the Fed which provides the ACH services is instituting the “Same Day ACH” program which will reduce the time required for the transfer from the two day guarantee to the same day guarantee if the transaction is processed within certain time limits. Since this rule change is one of the most significant changes in NACHA history, you probably have a lot of questions. The following are responses to questions we received from clients about the rule change.

#### Same Day ACH: Frequently Asked Questions

Types of transactions	
<b>Q: Are ACH credit transactions credited to (or deposited into) the owner's account or the receiver's account?</b>	An ACH credit refers to a disbursement from the owner's account that is credited to (deposited into) a receiver's account. For example, a payroll disbursement is an ACH credit to the employee's account. An ACH debit is used to collect a payment for a good or service from a receiver's consumer or business account. ACH credits or debits are based on what happens to the receiver's account.
<b>Q: What transactions are eligible for Same Day ACH?</b>	Virtually all types of ACH payments, including both credits and debits, will be eligible for same-day processing. Only international transactions (IATs) and high-value transactions above \$25,000 will not be eligible. Eligible transactions account for approximately 99 percent of current ACH Network volume.
Opting in for Same Day ACH	
<b>Q: Are there fees for the service and/or each transaction regarding Same Day ACH transaction(s)?</b>	Brenham National Bank discloses all fees associated with any Banking services in our schedule of fees. Please contact your Relationship Manager for Same day ACH pricing information or review the Brenham National Bank Schedule of fees.
<b>Q: We don't have to opt in to <u>receive</u> Same Day ACH payments, correct?</b>	That's right! You do not need to opt in to <b>receive</b> Same Day ACH items.
<b>Q: Do I have to opt in to <u>originate</u> Same Day ACH payments?</b>	Yes, Originators will be required to sign an ACH addendum to opt-in for originating Same Day ACH payments.
<b>Q: How can customers ensure items not intended for same day settlement are processed properly?</b>	Customers should include a future date in the effective entry date field to ensure future-day settlement.

Transaction limits	
<b>Q: Is the \$25,000 limit per item or per file? For payroll would each employee be considered a transaction if under \$25,000 per employee?</b>	The \$25,000 limit is per transaction. The limit would apply for each employee or per unique invoice number. As long as you follow this guideline, your file may contain multiple \$25,000 transactions.
<b>Q: Is the \$25,000 limit a NACHA rule or a Brenham National Bank rule?</b>	The \$25,000 per transaction limit is a NACHA rule and applies to all banks.
<b>Q: Why does Same Day ACH have a \$25,000 dollar limit and will that change in the future?</b>	The ACH rules network implemented a dollar limit for Same Day ACH payments due to risk concerns. Industry security experts think that a faster ACH might also be attractive to fraudsters; so the industry opted to set the \$25,000 limit as one way to help mitigate this risk. Bear in mind that the majority of ACH transactions processed today are under \$25,000.
Transaction timing	
<b>Q: What are the final deadlines for Same Day ACH transactions?</b>	The final deadlines for submitting Same Day ACH transactions:  *The Origination deadline is Noon CT.*
<b>Q: How will I know if I miss the deadline?</b>	If you originate via Cash Management, the system has built-in validation to ensure that your transactions meet the Same Day ACH deadline. If you miss the Same Day ACH deadline, items that could not be sent via Same Day ACH (whether due to missing the deadline, exceeding \$25,000 or because of other exceptions), option will not be available for selection. As a default, items that cannot be sent via Same Day ACH will be processed with a next-day effective date.
<b>Q: What are my options if I miss the deadline?</b>	If you miss the Same Day ACH deadline, as a default, your items will be processed with a next-day effective date.
<b>Q: When will the receiver of a Same Day ACH payment see it in their account? If I send a Same Day ACH credit, when can the recipient have access to that money (i.e. withdraw from ATM).</b>	If you send a Same Day ACH transaction, the receiving bank will be required to allow for the funds availability by 5 p.m. local time for credit transactions.
<b>Q: If I send the ACH file of payments on Friday night, will it be made available on Saturday? Or on Monday, like it is now.</b>	If you send a file of payments on Friday night (after the same-day cutoff), same-day processing will not be possible and receivers will not be credited that day. Note: This assumes the receiving bank operates on a business day schedule; there are some banks that, in this scenario, opt to make the funds available to their customers on a Saturday instead of making them wait until Monday or the next valid business day. Once you have opted in to Same Day ACH, the handling of transmissions sent after deadlines will vary based on which deadline(s) you have missed at the time your file is received. If you submit via Cash Management, it will check to ensure that Same Day ACH transactions are submitted before the Same Day ACH deadline on the initiation date. Only when you send Same Day ACH payments on Friday before the same-day cutoff is the receiving bank required to make funds available at the end of their processing day, Friday.

## Helpful information from NACHA

Here are some useful links for accessing information from NACHA.

---

The NACHA website has helpful technical details and a number of frequently asked questions and responses

<https://web.nacha.org/resource/same-day-ach/>

---

The NACHA Rule Book includes the detailed rule changes on Same Day ACH. You can order a copy of the rules from NACHA.

<https://www.nacha.org/2018-NACHA-Operating-Rules>

---

You can request free online access to the basic ACH Rules Online at this site.

<https://www.nachaoperatingrulesonline.org/2.14299?qr=1>

---

Same Day ACH rules information is also available on the NACHA website in the Same Day ACH section.

<https://www.nacha.org/rules/same-day-ach-moving-payments-faster-phase-3>

---

