

Frequently Ask Questions – Same Day ACH

1. What is Same Day ACH?

Same Day ACH enables ACH Originators to send and/or receive payments and payment related information on the same business day through the ACH network compared to standard ACH transactions which settle overnight, and funds are made available on the specified date, typically the following business day.

2. What are the changes to Same Day ACH Payments in 2022 and when they will take effect?

Effective March 18, 2022, the limit for Same Day ACH Transactions is increasing from \$100,000 to \$1,000,000. ACH Credit or Debit transactions can be originated for up to \$1,000,000 each.

3. Is Same Day ACH Available to me?

Same Day ACH is available to all approved Cambridge Savings Bank (CSB) Commercial ACH Originators and is possible for both credit and debit entries across all available CSB supported SEC Codes. Currently this service is not available for the Small Business Market segment.

4. What are the benefits of Same Day ACH?

There are several benefits to Same Day ACH including a lower cost payment method compared to other traditional methods such as wire transmission. This allows the movement of money faster when needed within that same day, for example emergency payroll or same day bill payment. Other benefits include decreasing processing/payment cycle for invoices and provide a predictable time for disbursements.

5. Are there fees associated with this service?

Yes, to cover processing costs, Same Day ACH transactions are priced higher at \$0.50 per credit/debit than next day ACH transaction (\$0.25).

6. Are there limitations to Same Day ACH?

Yes, there is a dollar limitation and SEC Code restrictions as defined below:

- Transaction Limit: \$1,000,000 – This limit applies to a single transaction. Customers can send multiple Same Day ACH Batches as far as the transactions do not exceed \$1,000,000 or the approved ACH Business Online Banking daily limit which may be lower.
- Standard Entry Codes (SEC): All SEC codes support Same Day Transactions except International ACH Payments (IAT)

7. What is the impact of these changes?

With the new limit of \$1,000,000 per transaction customer can improve their existing ACH use cases by making a greater percentage eligible for Same Day ACH, such as:

- Business-to-business payments
- State Tax payments
- Payroll funding
- Insurance claim payments
- Merchant Settlement
- Same Day Reversals of standard ACH payments
- Business continuity – recovery from missed deadlines or outages