



ACH Operations Bulletin #2-2022

Additional Late Night ACH File Deliveries to Start in September 2022

July 26, 2022

Summary

Beginning in mid-September 2022, the ACH Operators - the Federal Reserve and The Clearing House - will implement additional late-night deliveries of ACH files to all Receiving Depository Financial Institutions (RDFIs). Both ACH Operators will offer similar services regarding the additional 11:30 pm Eastern Time deliveries of ACH files. These additional ACH file deliveries will begin on Monday, September 12, 2022, for the Federal Reserve, and on Friday, September 16, 2022, for The Clearing House. This change is only to the delivery times of ACH files and does not impact ACH settlement times.

This service enhancement is being implemented in response to ACH industry participant requests. This enhancement will accelerate the delivery of some volume of ACH payments to RDFIs.

Federal Reserve RDFIs will now receive late-night distributions of ACH files throughout the business week with ACH payments that would have been delivered the morning of the next business day.

The Clearing House RDFIs, with the addition of late-night distributions of ACH files on Friday nights, will now receive ACH files throughout the business week with ACH payments that would have been delivered the morning of the next business day.

RDFIs at their option may process these files when received to better reflect customer account balances over a full-day cycle (or weekend). RDFIs are not required either by the Nacha Operating Rules or ACH Operator agreements or rules to do anything new and can continue to process the files the next morning prior to 8:30 am ET settlement.

Discussion

Nacha and the ACH Operators - the Federal Reserve and The Clearing House - are jointly issuing this ACH Operations Bulletin. The ACH Operators will deliver additional late-night distributions of ACH files, so that all RDFIs receive late-night ACH files on business days.

For Federal Reserve receiving clients, this will be a new file delivery and will occur on Monday through Friday nights by 11:30 pm ET. The new file delivery will start on Monday, September 12, 2022.

For The Clearing House receiving clients, this will be a new file delivery on Friday nights by 11:30 pm ET. This new file delivery on Friday nights will begin on Friday, September 16, 2022, and supplement existing late-night EPN distributions on Sunday through Thursday nights.

These files will contain all ACH payments that the ACH Operators have received since the previous transmission deadline, including:

- 1-day ACH debits and credits, scheduled to settle at 8:30 am ET on the next banking day (e.g., Friday night file delivery for Monday morning settlement);
- 2-day ACH credits, scheduled to settle at 8:30 am ET on the designated banking day (e.g., Friday night file delivery for Tuesday morning settlement); and,
- Returns.
- U.S. Treasury payments may also be included in this distribution.

These files will not include Same Day ACH payments, as the daily Same Day ACH settlements will have already been completed before these late-night files are generated.

Additional processing of these late-night files by RDFIs will be optional. An RDFI may opt to make use of the earlier receipt of payment information in these files, or an RDFI may opt not to do anything differently than it does today, processing the files the morning of the next business day prior to the 8:30 am ET settlement. Applicable rules and requirements for received entries will apply.

There will be no accounting, settlement, or billing changes associated with the additional file distributions. Settlement for ACH payments in these late-night files will occur at 8:30 am ET on the banking day designated in the entries.

Why Is This Enhancement Being Made?

In response to ACH industry participant requests, Nacha, The Clearing House and the Federal Reserve have been collaborating on this service enhancement to the ACH industry.

This service enhancement will provide additional ACH file distributions to RDFIs between existing ACH file delivery schedules. This will accelerate the delivery of some volume of ACH payments that would otherwise be received the morning of the next business day. RDFIs would be able, though not required, to better reflect customer account balances for payment activity that will settle the morning of the next banking day (or in the case of a 2-day credit, the second banking day). For example, an RDFI could show by Saturday morning pending credits and debits to a customer's account

that are received on Friday night, allowing the customer to have better knowledge of what their account balance will be at the opening of business on Monday morning.

This enhancement also improves processing efficiency for ACH Operators through faster clearing of ACH files rather than holding files for the next banking day, including over a weekend.

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