



Ann Misback  
Secretary, Board of Governors  
Federal Reserve System  
20<sup>th</sup> Street and Constitution Avenue NW  
Washington, DC 20551

Sent electronically to [regs.comments@federalreserve.gov](mailto:regs.comments@federalreserve.gov)  
Re: Docket Number: OP-1664

July 15, 2019

Dear Ms. Misback:

On behalf of Veridian Credit Union and the Board of Directors, we want to express our appreciation for allowing us the opportunity to comment on potential modifications to the National Settlement Service and Fedwire® Funds Service in support of enhancements to Same Day ACH.

As we see consumers and businesses driving the demand for a faster payments environment, we acknowledge it is also going to take time, a lot of work and additional consideration in order to get there. Given that it is on the horizon, we can't run from it or wait for it to arrive. Addressing these issues are imperative to keep moving payments forward. Below you will find Veridian Credit Union's response to the call for comment.

- How your customer and institution would use a later same day ach window?
  - Providing the new window will allow greater access for all ODFI's and their members/customers to submit items same-day, at a later time during the day.
  - The creation of the later window will allow for more of the feel for a "real time payment" (RTP).
    - However, we do wonder if it would be more beneficial to implement now vs. waiting for RTP with the Faster Payments Council to be implemented.
    - Consideration and evaluation should be given to the impact on smaller financials and would they have the staffing to accommodate the late day window.
  - In regards to larger financials, we wonder if there would be enough volume to accommodate and support processing in the last same day window to offset HR costs.

P.O. Box 6000  
1827 Ansborough Ave.  
Waterloo, IA 50704-6000  
800.235.3228  
[veridiancu.org](http://veridiancu.org)



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- The expanded hours of NSS
  - This would have a large impact on our daily settlement with our corporate settlement account, as there are cut offs currently in place with them today, as well to move money to accommodate settlement clearings.
  - Concerned if there will also be an additional FRB cost as a result of this change.
- Fedwire Funds
  - The increased availability will benefit some of our existing wire users. However, today's challenges include working with Compliance Officers for potential OFAC hits. This may require keeping additional staffing later in the evenings.
- Feedback on overall impact to our organization:
  - Potential risk
    - If you are not able to accommodate compliance staffing, potential loss in processing would exist.
    - Concerned if there would be a requirement to stay open and offer the third window clearing opportunity. As most financials close and stop conducting business between 4:00 and 5:00 daily.
    - Would be interested in how this third window would be communicated and how we share this with our current members and the potential impact it may have if we don't offer it.
  - Additional costs associated
    - Realizing that later windows will mean keeping staff later, possibly encountering shifts for back office operations, and the potential increase in covering the processing will increase HR expense.
    - In order to ensure adequate funding means keeping higher balances in your corporate account vs. investing with a higher overnight rate.
  - Changes to internal processes to your institution to the compression of end of day activities
    - Our financial stops accepting origination by 3:00 pm to ensure end of day processing is complete by 5:00pm CT. Although it certainly would be an added value to our members, it puts a strain on employee's end of work day. We would more than likely be in a position to add staffing to accommodate. In turn we would have to post the returns file, potentially looking at different daily shift operations in comparison to today. This also impacts our ability to work our OFAC and compliance standards and would require additional staffing to accommodate same day 'hits'.

In closing, Veridian Credit Union appreciates the effort the Federal Reserve has put forth in ensuring we are moving the payments industry forward in establishing a faster payments network.

Sincerely,

Vikki Distler

Manager, ACH and Share Draft Operations

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