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# INSTANT PAYMENTS: LEVERAGING SPEED, DATA AND SECURITY



## MARK ROBERTSON

EVP, Corporate Financial Services Chief  
Administrative Officer, SouthState

## CRAIG JEFFERY

Founder & Managing Partner, Strategic Treasurer



### WHAT

Considering how instant payments offer better speed, information and security to treasury.



### WHEN

Thursday, May 23, 2024  
11:00 AM - 11:30 AM EDT



### WHERE

Live online presentation  
Replays at [StrategicTreasurer.com](https://StrategicTreasurer.com)



# ABOUT THE SPEAKERS

GET TO KNOW TODAY'S SUBJECT MATTER EXPERTS



## MARK ROBERTSON

Mark Robertson is Executive Vice President and Corporate Financial Services Chief Administrative Officer at SouthState Bank. Mark has 35+ years of experience in Banking Operations and Technology involving EDI, Treasury Management support and development. Before SouthState, he held positions in Wachovia and Atlantic Capital Bank over Commercial Banking Operations, Fraud, Retail Operations, Call Centers, and other areas. Mark has a BA in Finance from North Georgia Sr Military College and served in the Air Force.



## CRAIG JEFFERY

Craig Jeffery formed Strategic Treasurer in 2004 to provide corporate, educational and government entities direct access to comprehensive and current assistance with their treasury and financial process needs.

His 30+ years of financial and treasury experience as a practitioner and as a consultant have uniquely qualified him to help organizations craft realistic goals and achieve significant benefits quickly.

# TOPICS OF DISCUSSION

KEY AREAS OF FOCUS & ANALYSIS



## ADVANCES IN PAYMENTS

MOVING FASTER



## DRIVERS

MOTIVATORS TO UPGRADE



## USE CASES

REAL WORLD RELEVANCE



## KEY TAKEAWAYS

AND FINAL THOUGHTS

# PROGRESSION OF PAYMENTS

## THE MOVE TO FASTER



**Payment**



**Speed**



**Limit**

**Check**

- Fed

Days - week

No limit

**ACH (LVP)**

- Nacha
- Private/direct

Day

\$99,999,999.99

**Wire (HVP)**

- Fedwire
- CHIPS
- Real time gross settlement (RTGS)

Minutes

\$999,999,999.99

**Same Day ACH**

- Nacha
- Began in 2016
- Same rail as ACH

Hours

\$1,000,000.00

**Real-Time Payments (RTP)**

- The Clearing House
- Began in 2017
- New rail

Seconds

\$1,000,000.00

**FedNow**

- FedNow Service
- Began in 2023
- New rail

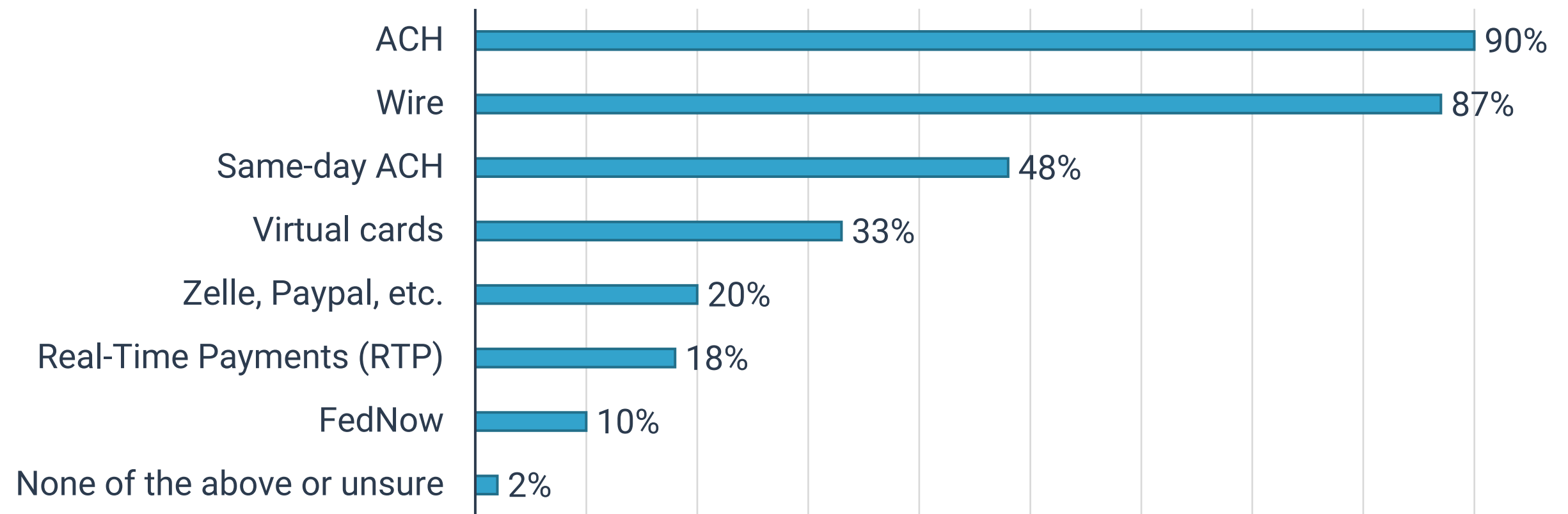
Seconds

\$500,000.00

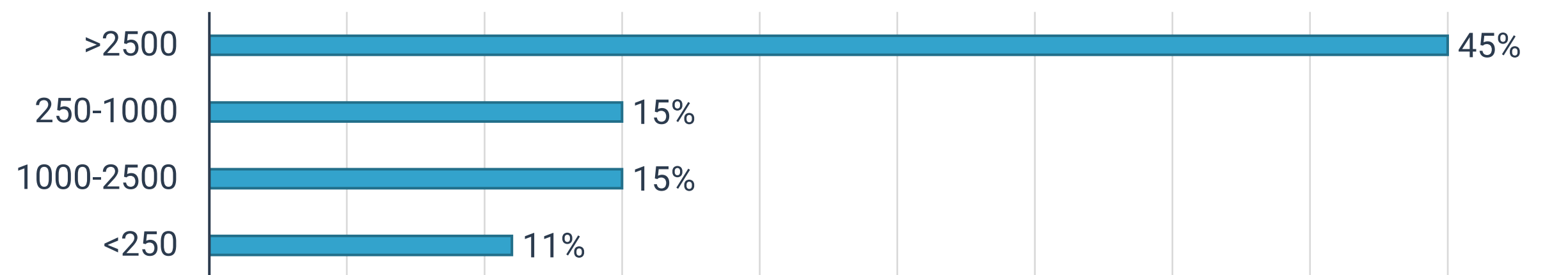
Newer payments

# POLL QUESTION

## Poll 1 - We use the following payment types: (select all that apply)



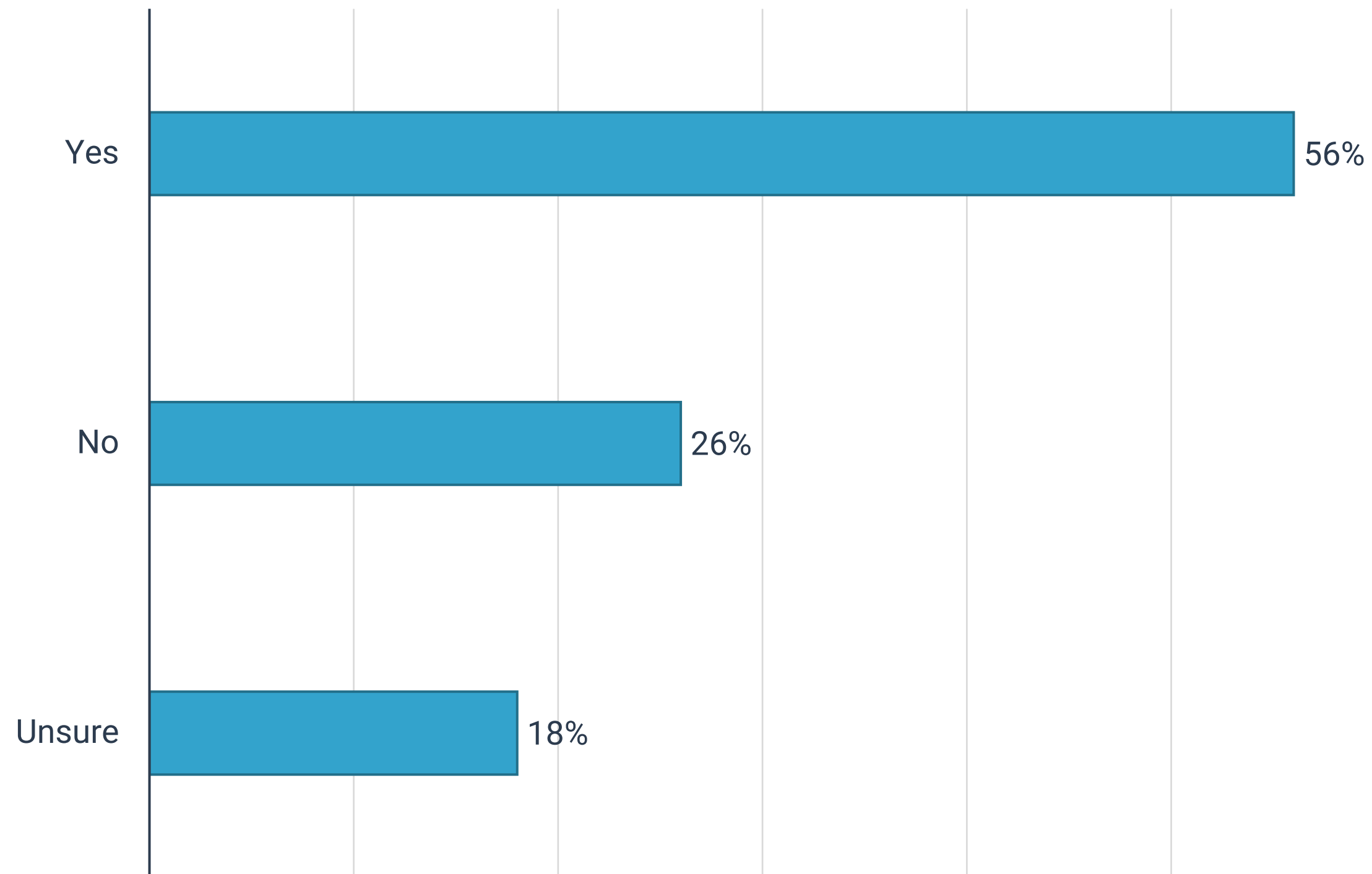
## Poll 2 - What is the monthly volume of your organization's overall payments sent?



# USAGE

## CURRENT AND FUTURE

» Do you currently use or intend to use faster payment technologies such as same-day Automated Clearing House (ACH) or real-time payments?





# DRIVERS TO INSTANT PAYMENTS

IMPROVING TREASURY FUNCTIONS AND FUNDS FLOW



## Speed

- Timeliness use cases
- Better timing
- No need to pay early
- Targets
- Discounts
- Cashflow



## Data

- Richer information
- Fewer defects or calls
- Faster cash application leading to fewer issues
- Analysis
- Posting
- Reconciliation



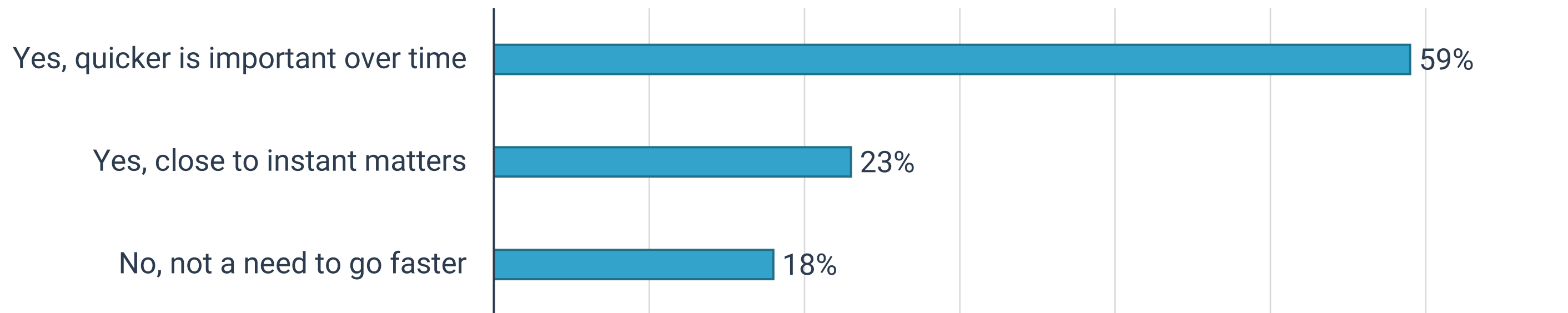
## Security

- Old rails vs. new (hardened) rails
- Speed matters, but so does security
- Visibility improves the process and security via faster detection

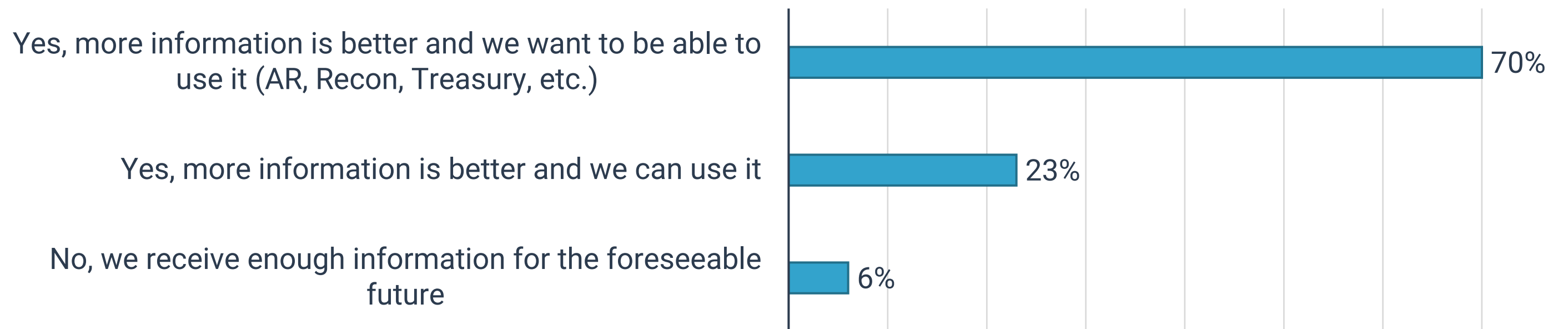


# POLL QUESTION

## Poll 3 - Speed matters to us for payments in the following way:



## Poll 4 - Detail matters to us for information reporting in the following way:



# USE CASES

## EMPLOYING INSTANT PAYMENTS FOR DIFFERENT NEEDS

### Irrevocable payments

- Speed
  - Employee reimbursement
  - Customer service
- Alternative to wire
  - Requirements (contracts)
    - Closing (home, business)
    - Settlement (insurance, legal)
    - Cash concentration (smaller value)

### Discounts

- Payee offers discount
  - 2/10
  - N/30
- Get approval in AM of Day 10
  - Pay on Day 10
  - Pay 2% less with immediate payment
- Pay at the last moment and on time with visibility
- Reduce calls from AR, as they know when they're getting paid
- Certainty means my forecast is correct

# CONSIDERATIONS

## CONTEMPLATING THE MOVE TO INSTANT PAYMENTS



Nobody is moving to slower



Not everything has to be immediate



Instant offers a strategic, tactical and operational advantage



Fraud is a massive issue, and reducing the opportunities and surface area through speed matters

# FINAL THOUGHTS

## HOW TO PROCEED



### PARTNERING

- Fraud
- Faster matters
- Better matters more
- Full process view for all parties can drive significantly more value



### FUNDAMENTALS

- Enrichment (data)
- Timeliness (speed)
- Security (controls)
- Visibility (multiple impacts)



### USE CASES

- Timeliness
- Efficiency play
- Value of speed

# LET'S CONNECT

DON'T LET THE LEARNING END HERE...  
CONTACT US WITH ANY FUTURE QUESTIONS

Thank you for your interest in this presentation and for allowing us to support you in your professional development. Strategic Treasurer and our partners believe in the value of continued education and are committed to providing quality resources that keep you well informed.



## STRATEGIC TREASURER

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- Banking Services
- Treasury Technology



### ASSIST Outsourced Services

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- Employee Security Training
- Compliance Services
- Connectivity & Onboarding



### RESEARCH Market Data

- Survey Participation
- Research Report Access
- Industry & Peer Benchmarking
- Critical Treasury Assessment



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- Investment Validation



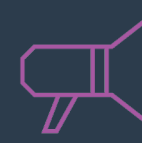
### ASSIST Outsourced Services

- Sales Optimization & Training
- Marketing Team Support
- Content Amplification
- SME Speaker Bureau



### RESEARCH Market Data

- Treasury Insights (Data Services)
- Tailored Market Research
- Survey Program Sponsorship
- Client Benchmark Reporting



### INFORM Industry Insights

- Expert Content Creation
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