

FEDERAL RESERVE BANK OF DALLAS

DALLAS, TEXAS 75222

Circular No. 74-272

October 8, 1974

To All Banks
in the Eleventh Federal Reserve District:

During the past few years, there has been a significant increase in the number of cash letter adjustments occurring in the check collection system. A large portion of the adjustments activity involves relatively small amounts. As a major source of check clearing, the Federal Reserve System is vitally interested in determining a level of small differences for which research is not cost-justified.

We are, therefore, requesting all drawee banks not to report errors of \$1.00 or less that are detected in cash letters received from this Bank. A similar request is being made by the Federal Reserve System of all payor banks. Your cooperation in not reporting errors of \$1.00 or less will help us to improve our service to commercial banks by responding more rapidly in the investigation of larger dollar differences.

Any questions concerning this matter should be directed to this Bank's officers or appropriate branch officers having responsibility over the Check Collection function.

Yours very truly,

P. E. Coldwell

President