

FEDERAL RESERVE BANK OF DALLAS

DALLAS, TEXAS 75222

Circular No. 83-54
April 5, 1983

BULLETIN 8

COLLECTION OF CASH ITEMS

(Revised Appendix C)

TO ALL DEPOSITORY INSTITUTIONS IN THE
ELEVENTH FEDERAL RESERVE DISTRICT:

In Federal Reserve Bank of Dallas Circular No. 82-33 dated March 24, 1982, you were furnished a new Bulletin 8, Collection of Cash Items, dated March 1982. On the reverse of this circular is a revised Appendix C to Bulletin 8 dated April 1, 1983, which should be filed in Volume 1 of your Regulations Binder to replace the old Appendix C.

Appendix C, Food Coupons, has been amended to conform to the previously announced expanded access to our food coupon processing service. It also reflects two technical changes due to a renumbering of the Department of Agriculture's regulations.

Questions regarding the changes to this Bulletin may be directed to Donald L. Jackson, (214) 651-6118 at the Head Office; Robert W. Schultz, (915) 544-4730 at the El Paso Branch; Vernon L. Bartee, (713) 659-4433 at the Houston Branch; or John A. Bullock, (512) 224-2141 at the San Antonio Branch.

Additional copies of this circular will be furnished upon request to the Public Affairs Department, Extension 6289.

Sincerely yours,



William H. Wallace
First Vice President

APPENDIX C

FOOD COUPONS

1. We handle food coupons as cash items under an agreement between the Secretary of Agriculture, in behalf of the United States, and the Reserve Banks as depositaries and fiscal agents of the United States pursuant to authorization of the Secretary of the Treasury. As to matters that agreement does not cover, Regulation J, this bulletin, and our time schedules apply. We receive food coupons only from (1) banks that maintain accounts with us and that are insured by the Federal Deposit Insurance Corporation (FDIC) or the Federal Savings and Loan Insurance Corporation (FSLIC) and (2) FDIC- or FSLIC- insured banks not having accounts with us but that have arranged with us to send coupons to us for credit to the account of a bank having an account with us. Other banks should forward coupons through ordinary collection channels.

2. Banks should send redeemed food coupons to the office of this bank that maintains the account to which the proceeds are to be credited. We give immediate credit for redeemed food coupons as provided in our time schedules. This credit is not final and is subject to reclamation and adjustment.

3. Banks should separately sort food coupons by denominations and deposit them in a separate cash letter. The transmittal letter should be

clearly marked "FOOD COUPONS" and should show the total number and amount of each denomination of coupons enclosed. Food coupons should be sent to us by the means ordinarily used for cash items. Shipments are at the risk of the Department of Agriculture only to the extent stated in 7 Code of Federal Regulations, Chapter II, Part 278.5(c). Sending banks should retain customers' deposit slips and other pertinent records to assist in substantiating reimbursement claims against the Department of Agriculture for coupons lost in transit.

4. Under the regulations of the Department of Agriculture (7 Code of Federal Regulations, Chapter II, Part 278.5(a)), banks must not accept for redemption a portion of a food coupon consisting of less than three-fifths of the whole coupon. Any coupon accepted for redemption must show on its back either (i) the AUTHORIZATION NUMBER or (ii) the name of the authorized retail food store and of the authorized wholesale food concern, if any. Each coupon must be cancelled by the first bank that receives it, by indelibly marking "PAID" or "CANCELLED" and the bank's name or institutional identifier on the face of the coupon. No coupon should be indorsed by a bank. We furnish additional information* about the collection of food coupons on request.

*Refer to our Bulletin Number Five (5) for more specific instructions regarding the handling of food coupons.