



FEDERAL RESERVE BANK OF DALLAS

Station K, Dallas, Texas 75222

Circular No. 84-6
January 16, 1984

TO: The financial institution addressed in the Eleventh Federal Reserve District.

ATTENTION: Chief Executive Officer

SUBJECT: **RESPONSE -- Automated reporting of FR2900 deposit data**

SUMMARY: The Federal Reserve Bank of Dallas has developed a new system which will allow electronic transmission of deposit data to the Fed over the RESPONSE communications network using either dial-up or dedicated on-line methods. In addition, a new program is available to weekly-reporting financial institutions which provides "what if" simulation capabilities for use in reserve requirement computations.

DETAILS: Beginning February 2, 1984, the Federal Reserve will implement a new system of accounting for bank reserves designed to give more immediate control over the nation's money supply. This system, known as contemporaneous reserve accounting, will require institutions which file the Report of Transaction Accounts, Other Deposits and Vault Cash (FR2900) on a weekly basis to hold reserves against transaction deposits nearly contemporaneously.

Recognizing the need that contemporaneous reserve accounting will generate for timely position statements, the Federal Reserve Bank of Dallas has developed a system which will allow reporting institutions to transmit deposit data electronically to our computer, thereby eliminating delays associated with mailing the FR2900 report form. This new procedure will be available to those institutions using the Bank's RESPONSE communications network, either through IBM Personal Computers and dial-up procedures or through dedicated on-line terminals. We believe this new service will cut the time associated with processing deposit data dramatically and will enable our reserve maintenance personnel to provide you with position data early in the maintenance period.

After an initial testing period, the Dallas Federal Reserve will phase in on-line financial institutions to begin using the new service. Institutions will be contacted individually at a later date to determine if there is interest in using the program.

In addition to this new RESPONSE service, the Federal Reserve Bank of Dallas is announcing the availability of "CRR" -- a computer program which will allow financial institutions to calculate reserve requirements using estimated data in a "what if" capability. The system allows computation directly on-line rather than manually. The temporary reserve requirements will be based on an institution's estimated figures for transaction accounts.

This new system has been developed to help institutions make a smooth transition to contemporaneous reserve accounting and can be a useful tool for managing reserve accounts on a day-to-day basis. The program does not depend on electronic transmission of actual data and is available to all weekly-reporting institutions immediately, either on-line through the RESPONSE network or over the telephone. All weekly-reporting on-line financial institutions will be sent users guides and further instructions for the CRR program shortly.

MORE INFORMATION:

About automated reporting of FR2900 data -- Stephen M. Welch, Statistics Department, Extension 6394

About "CRR" simulation program -- Robert G. Feil, Financial Planning and Control Department, Extension 6690

ADDITIONAL COPIES:

Public Affairs Department, Extension 6289