



## FEDERAL RESERVE BANK OF DALLAS

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**HELEN E. HOLCOMB**  
FIRST VICE PRESIDENT AND  
CHIEF OPERATING OFFICER

July 15, 2004

**Notice 04-42**

**TO:** The Chief Operating Officer of each  
financial institution and others concerned  
in the Eleventh Federal Reserve District

### **SUBJECT**

#### **Discontinuation of Courtesy Call Notifications for Large-Dollar Check Adjustment and Settlement Entries**

### **DETAILS**

As the financial services industry evolves to meet the needs of an ever-changing marketplace, we continue to seek out more efficient, cost-effective ways to conduct business and serve our customers. In many aspects of our operations, this evolution is marked by a shift from manual processes to electronics.

Keeping pace with this trend, the Federal Reserve System's existing process for check adjustment and settlement entry notifications is another opportunity for positive change. Currently, Federal Reserve Banks make courtesy call notifications on check adjustment and settlement entries over \$50,000 to assist financial institutions in managing their reserve positions. However, this process has its limitations, including uniform threshold notification levels (versus levels tailored to individual customer needs), delayed reporting, and unsuccessful calls.

To address these issues, effective October 1, 2004, the Federal Reserve System is shifting to a completely automated notification process for all check adjustment and settlement entries posted by 4 p.m. ET. Replacing telephone notifications, this web-based process, accessible via FedLine® Web, allows you to monitor your adjustments and entries, as well as control the threshold at which you want to be notified of such activity. FedLine® Web gives you access to real-time information as entries are posted.

Two FedLine® Web applications are available to assist you in this process. Your institution may already subscribe to these services, which provide a variety of ways to monitor your reserve position:

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For additional copies, bankers and others are encouraged to use one of the following toll-free numbers in contacting the Federal Reserve Bank of Dallas: Dallas Office (800) 333-4460; El Paso Branch *Intrastate* (800) 592-1631, *Interstate* (800) 351-1012; Houston Branch *Intrastate* (800) 392-4162, *Interstate* (800) 221-0363; San Antonio Branch *Intrastate* (800) 292-5810.

**Account Management Information (AMI):** This service allows you to view real-time accounting transactions posted to your Federal Reserve account. AMI offers a variety of reports and inquiry services that provide a reliable and timely source of information to assist you in making account management decisions and complying with Federal Reserve Payments System Risk policies. Also, using the *View Notifications* feature, you can choose to receive notifications on postings with specific transaction codes or on transactions meeting a certain dollar threshold.

**Check Adjustments (CA):** In addition to providing you with the ability to submit check adjustment requests electronically, this service allows financial institutions to monitor all check adjustment and settlement transactions initiated by the Reserve Banks. Advices are posted to the in-box throughout the day and can be easily sorted by dollar amount.

If you choose not to take advantage of these web-based services, you may elect to receive all check adjustment and settlement advices via FedMail® e-mail or, for a fee, via FedMail fax.

Please note that we *will* continue to make courtesy calls on those entries over \$50,000 that are posted after 4 p.m. ET unless those entries are being posted directly in response to an adjustment request.

We realize this is a significant change, but we hope you agree that it is a positive step as we all seek to achieve the greatest possible efficiencies in our daily processes and interactions. Although telephone notifications will continue through September 30, we encourage you to visit FedLine® Web soon to become familiar with its capabilities and to initiate service setup (as required) to help ensure your transition on October 1 will be a smooth one.

#### **MORE INFORMATION**

For more information regarding FedLine Web AMI and CA services, or to view a demo, please visit [www.frbsecurities.org/Electronic-Access/FedlineWebServ.html](http://www.frbsecurities.org/Electronic-Access/FedlineWebServ.html). To subscribe to any of the services, or for more information, please contact one of the account executives listed below.

Rick Flansburg	(210) 978-1661
Michele Hitchings	(713) 652-9141
Jim McCammon	(214) 922-5491
Susan Vice	(214) 922-5430
Kathy Waggoner	(713) 652-9146

Paper copies of this notice or previous Federal Reserve Bank notices can be printed from our web site at [www.dallasfed.org/banking/notices/index.html](http://www.dallasfed.org/banking/notices/index.html).

Sincerely,

