



FEDERAL RESERVE BANK OF DALLAS

2200 N. PEARL ST.
DALLAS, TX 75201-2272

HELEN E. HOLCOMB
FIRST VICE PRESIDENT AND
CHIEF OPERATING OFFICER

September 2, 2004

Notice 04-58

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

SUBJECT

Federal Reserve Banks Announce 2005 – 2006 Check Processing Restructuring Schedule

DETAILS

In early August, the Federal Reserve Banks announced plans to discontinue check processing at nine additional Reserve Bank offices in 2005 and early 2006 as check volumes continue to decline nationwide. I want to share with you the proposed timeline for these upcoming check restructuring moves.

Please understand that this timeline is still being fine-tuned and may change. The Federal Reserve Banks are working together to create a schedule that considers each location's unique issues as well as the overall project objectives. A number of factors, including transportation considerations and Check 21 preparations, could influence the schedule. Please be assured that we will keep you updated regularly in the months to come.

The schedule for the 2005 – 2006 check processing restructuring as we know it today is shown on the following page.

Check Processing Restructuring Events	Month in Which Event Is Scheduled to Occur
Birmingham to Atlanta	March 2005
Detroit to Cleveland	March 2005
Houston to Dallas	April 2005
Portland to Seattle	May 2005
Salt Lake City to Denver	June 2005
Oklahoma City to Dallas	October 2005
Boston to Windsor Locks	February 2006
Columbus to Cleveland	February 2006
Nashville to Atlanta	March 2006

When a site's volume is moved, check processing responsibilities will be transferred over a multiday period involving a single weekend; there will not be a transition period. The specific move date and other operational details will be communicated no later than 120 days before the event so that you can complete any necessary preparations.

These restructuring changes are intended to ensure that the Reserve Banks remain a provider of efficient, high-quality check services for years to come. We are also committed to minimizing the effects of these changes on you. In cities where check processing is being moved to another location, deposit times and availability will stay as close to current service levels as possible. A drop-off point will be established in each of the cities where checks will no longer be processed, and the Federal Reserve will arrange for cash letters to be transported from the drop-off point to the new processing location. You can expect to deposit cash letters exactly as you do today, even though they will be processed in a different location.

We will continue to review and adjust our product offerings to ensure they meet your needs as well as those of the overall financial services marketplace. Our Check 21 product suite, our investments in standard check processing platforms, and our check imaging and check adjustment services enable us to maintain the high quality of check services to our customers. As the industry evolves, we will adapt to remain competitive and to focus on creating value for you. Thank you for your continuing business relationship with the Federal Reserve.

MORE INFORMATION

For more information, please contact one of the following account executives with questions as we undergo these changes:

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.

Sincerely,

A handwritten signature in cursive script that reads "Helen E. Holcomb".