

FEDERAL RESERVE BANK OF NEW YORK

NEW YORK, N. Y. 10045

AREA CODE 212-791-5000

At. Cir. No. 9463
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CASH TRANSPORTATION PROCEDURES

To: Officers in Charge of Currency and Coin
Operations at Financial Institutions
in the Second Federal Reserve District

The Federal Reserve Bank of New York continually seeks ways to improve our service to you. In the area of cash transportation we recognize our responsibility to protect the integrity of currency and coin deposits and avoid unnecessary exposure during the transportation and handling of valuables. We believe that mutual efforts can help protect the banking community from losses and contribute to the overall efficiency of the cash transportation system.

It is in this light that we ask your cooperation in complying with the shipping requirements which will facilitate currency and coin processing. Over the past several months an increasing number of currency and coin shipments have been sent to us with loose seals, improperly prepared bag tags, and, in some cases, holes in the bags. These conditions create the need for special control procedures and present risks for the depositor, the armored carrier, and this Bank.

To ensure the most expeditious handling of your shipment, we ask that you use only those bags that are strong and tear-resistant, with a crimped seal or other comparable security device. The tag should bear the name and address of the sending depository institution and be securely attached to the bag. Please refer to our Operating Circular No. 3 for specific handling requirements.

To assist in improving the quality of our procedures, we will contact institutions whose shipments do not meet our requirements and work with representatives of those institutions to rectify any difficulties. If there is no improvement, despite these efforts, it is our intention either to return improperly prepared deposits unopened, or, at the institution's request, to open the bag in the presence of its representative. In addition, we have asked our armored carrier representatives to inspect the currency and coin deposit bags at each pick-up point and, if a problem exists, to request that it be corrected.

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A matter related to improperly prepared deposits is currency found loose in bags because poorly strapped packages or bundles have broken apart during shipment. On such occasions, it is often difficult to determine who the individual was that prepared the packages of notes, which is important if any discrepancies are disclosed. In this regard, the Bank is testing a dry sealed plastic bag that will secure a single bundle of currency and evidence any attempt to extract notes prior to their reaching their destination. Another effort is the development of a tamper resistant plastic container that will hold ten bundles of currency. A pilot test within the next few months will determine the viability of this container and, hopefully, help to resolve problems encountered in the use of plastic and canvas bags to ship currency.

For those offices served by the Head Office of this Bank, please direct any questions or comments regarding these procedures to Michael Zimmerman, Chief, Currency Services Division (Tel. No. 212-791-7907 or 8049). Offices served by our Buffalo Branch may contact Donald J. Weber, Chief, Cash Division (Tel. No. 716-849-5026).



Richard Vollkommer,
Vice President.