THE
FEDERAL
RESERVE
BANK of
ST. LOUIS

ELECTRONIC CURRENTS®

What's New On Fedline®

Your Fedline connection gives you convenient access to a wide variety of Fed services, and now Fedline version 2.3.41 further expands your electronic capabilities. Four new services join funds transfer, automated clearinghouse, book-entry securities transfer, treasury tax and loan, electronic information services, check services, accounting services and savings bonds orders. The new services are:

FR2900

The FR2900 Report Submission service allows you to enter the Report of Transaction Accounts, Other Deposits and Vault Cash (FR2900) on a Fedline terminal, and then transmit the data to the Fed. Fedline also stores FR2900 data for up to one year. The Report of Certain Eurocurrency Transactions (FR2950/51) is also available in Fedline for data entry, storage and transmission. When you enter and electronically transmit your FR2900 data via Fedline, fewer errors occur because the software performs on-line data editing including total calculations and cross-checking. Plus, you can be sure that your FR2900 data reaches the Federal Reserve's Statistics department each week in a timely manner.

ERR

The Estimated Reserve Requirement (ERR) service allows you to estimate current and future reserve requirements and establish a target for balances to be maintained with the Fed. You may request estimated calculations for prior periods, the current period and two future periods. The Fedline ERR service will replace your current CRRCALC diskette. You can also create "what if" scenarios using your maintained balances and estimate your future reserve requirements.

"Y" Reports

The "Consolidated Financial Statements for Bank Holding Companies with Total Consolidated Assets of $150 Million or More, and With More Than One Subsidiary Bank" (FRY9C Report) and/or "Parent Company Only Financial Statements for Bank Holding Companies With Total Consolidated Assets of $150 Million or More, or With More Than One Subsidiary Bank" (FRY9LP Report) reports can now be electronically transmitted via Fedline utilizing your vendor-supplied application software. Automating this data allows for timely transmission of data to the Fed, fewer errors, and may also eliminate the need for hard-copy reports.

Auto Dial

Auto Dial allows your modem to automatically dial the Fed's host

What's New On FLASH-*Light*®

FLASH-*Light* is the easy-to-use, low-cost, receive-only software designed especially for financial institutions that receive a low number of ACH items. Now, FLASH-*Light* also provides you with the ability to receive notification of incoming Funds Transfer messages (including large-dollar return check notifications). If you currently receive your funds transfers off-line and your ACH registers on paper from the Fed, FLASH-*Light* may be the right electronic connection solution for you. A one-time installation fee of $100 and a low monthly access fee of $30 may offer low-volume ACH receivers and off-line funds transfer customers a cost savings over fees now paid for off-line delivery of these payments.

If you would like more information about FLASH-Light version 2.0, please contact your account executive or Customer Support at 1-800-333-0869 or (314) 444-8680.

All-Electronic ACH Update

Progress continues toward the Federal Reserve's objective to convert off-line ACH endpoints to electronic connections. The following report refers to the number of off-line ACH endpoints that converted to an electronic connection in the first quarter. Congratulations to the Tennessee/Mississippi zone for the highest percentage of conversions!

EIGHTH DISTRICT ZONE	# OF OFF-LINE ENDPOINTS		NUMBER OF CONVERSIONS
	DEC. 91	MAR. 92	
Missouri/Illinois	137	107	– 30
Arkansas	54	40	– 14
Kentucky/Indiana	36	29	– 7
Tennessee/Mississippi	70	44	– 26
EIGHTH DISTRICT TOTALS	297	220*	– 77
FED SYSTEM TOTALS	4,168	3,010	– 1,158

*Number of commercial ACH endpoints left to convert in the Eighth District before the All-Electronic ACH sunset date.

SPOTLIGHT

Halimah Waheed, a clerk in our Electronic Access Support (EAS) unit, has worked at the Fed since February 1991. She began working in the Check department and recently transferred to EAS. Halimah has been responsible for the formidable task of packaging and mailing the latest version of Fedline software to 650 Fedline customers. Halimah is also responsible for the day-to-day administrative activities of the EAS unit, such as answering telephone calls, making copies and typing installation instructions. When asked what she likes most about her job, Halimah responds, "I enjoy the variety of assignments and the fast pace of the EAS unit. Also, my co-workers and managers are very easy to work with and are always available to answer my questions."

Thank You

Many thanks to the following institutions for volunteering their time and personnel in support of recent Fed system tests through April 17.

Boatmen's National Bank of St. Louis, MO
Mark Twain Bank of St. Louis, MO
Central Trust of Jefferson City, MO
Empire Bank of Springfield, MO
Magna Bank of Belleville, IL
Republic Savings Bank of Louisville, KY
Bank of Ozark of Ozark, AR
Pennyrile Citizens B&T of Hopkinsville, KY
Home Federal S&L of Seymour, IN
First National Bank of Vandalia, IL
Roosevelt Bank of St. Louis, MO
Great Financial Federal of Louisville, KY
Southwest Bank of St. Louis, MO
Citizens Bank of Jonesboro, AR
First National Bank of Louisville, KY
Mercantile Bank of St. Louis, MO
Worthen National Bank of Little Rock, AR
Simmons First National Bank of Pine Bluff, AR
Independent Bankers Bank of Springfield, IL
Heritage National Bank of St. Louis, MO
Central Bank of Fairview Heights, IL
Union Planters Bank of Memphis, TN
Liberty National B&T, of Louisville, KY
United Community Bank of Bunker Hill, IL
Boone County National Bank of Columbia, MO

I'm Suspended!! What Should I Do?

That's the question most often heard on our Fedline Data Security Hot Line. Often, the answer lies right at your own doorstep, with your Local Security Administrator. Confusion about the difference between Local and Host passwords often results in lost productivity. As a reminder, there are **two** sign-on IDs and **two** passwords for Fedline; each of the IDs and passwords do very different things.

Facts About Local User Ids (LUIs):

1. LUIs and LUI passwords are used *only* during initial sign on to Fedline.
2. LUIs can only be set up by your Fedline Local Security Administrator (LSA). The Local Security Administrator's LUI must have the "LA"—Local Administration application privilege.
3. LUI privileges and passwords are assigned or unsuspended by your LSA.

Fedline (cont'd)

computer when connecting via Fedline. This eliminates the need to dial a telephone number when establishing a communications session. The Auto Dial feature makes it easier and quicker for you to connect with the Fed to perform your day-to-day operations. Auto Dial is available to customers who use the following modems:

Racal Vadic 2400	(2400 bps)
Racal Milgo 2412	(2400 bps)
Universal Data Systems V.3225	(9600 bps)

If you would like to add any of these services to your Fedline connection, please contact Customer Support at 1-800-333-0869 or (314) 444-8680.

4. Changing the LUI password *does not* affect the Host User Code password.
5. Fedline operators experiencing problems with their LUI should contact their LSA for assistance.

Facts About Host User Codes (HUCs):

1. HUCs are used only during the Host Communication dial in process. (The LUI must have the "HC"—Host Communication application privilege in order to make a dial-up connection to the Fed.)
2. HUCs can only be set up by the Federal Reserve's Data Security Administrator. Requests must be approved by your institution's management using the Fedline Host User Code Request form. Copies are available from the Fed.
3. HUC passwords can only be assigned or unsuspended by the FRB's Data Security Administrator.
4. Changing a HUC password does not affect the LUI password.
5. Operators experiencing HUC or connection problems during the Host Communication process should contact the Federal Reserve at 1-800-333-0861 or (314) 444-8770.

Focus on Contingency

You've probably heard the corollary of Murphy's Law which states: "Whatever can go wrong will go wrong at the worst possible moment in time." Or, you may know the saying, "Sooner or later every business must do business with the odds." Both maxims are applicable to contingency and disaster recovery situations. Contingency can be defined as an outage or brief service disruption which affects the availability and reliability of your services. Disaster recovery refers to major hardware or software failure, fire or water damage, telecommunications network failure, or a natural disaster that could cause an **extended** service disruption.

After the Minneapolis Fed experienced a water pipe leak in the ceiling over its data center on April 8, 1991, Fed computer operations were recovered at the Contingency Processing Center in Culpeper, Virginia. Since then, we have learned a great deal about how well different types of equipment perform during a disaster, and what kinds of technological changes are necessary for a smooth recovery. For example, financial institutions that had participated in Fed contingency testing, had used standardized hardware, and had backups to their primary electronic connection found it easier and faster to resume service with the Minneapolis Fed.

There are many levels of contingency plans, ranging from total recovery of the physical bank to recovery of the hard drive of your Fedline PC. A contingency plan for your Fedline PC is just as important as the disaster recovery plan in place for all operations at your institution because it is your interface and primary method of transacting critical business with the Fed. Also, your Fedline PC is an important part of your customer service, especially if you are originating ACH items. Each of the following points require your attention when considering contingency planning for your Fedline PC.

- *In case of equipment or software failure, a backup copy of your original Fedline software should be available. The Fedline copyright agreement allows you to make one backup copy.*

- *Backup any software required to operate Fedline, including DOS, the REKAP diskette and uploading software.*

- *Backup all static files (i.e. Fedline files that contain customized data, including local user IDs, recurring messages and files, frequent receivers/ABA numbers, etc.). There is a static file backup option available in Fedline. Please refer to pages 7-50 and 7-51 in your Fedline 2.3 User Guide.*

- *Keep PC maintenance contracts up-to-date and understand the provisions in those contracts. For example, if your contract does not include immediate service during hardware failure, you may not be able to wait for the equipment to be repaired. You need to ensure that a compatible backup PC is available, as well as a modem, printer and encryption board.*

- *Maintain your Fedline PC's configuration as closely as possible to the recommended Fedline configuration so that our Electronic Access Support staff can better support your institution if the need arises.*

- *Keep off-line codewords and related procedures in a convenient, but secure place in case you have to go off-line. If you are an ACH originator, you may want to designate another financial institution as a contingency sending point on your behalf.*

- *You may want to maintain a duplicate hardware configuration on another PC in your institution to be used as a backup and purchase backup communication pieces (encryption board and modem) needed for Fedline. Load Fedline and static file backups onto that PC as part of the backup procedures executed on the primary Fedline PC. This ensures that you have readable backups and a current backup system.*

No matter what contingency option you choose, remember to test your contingency plan regularly. If you're ever in a contingency situation or need additional assistance, please contact Electronic Access Support at 1-800-333-0861 or (314) 444-8711.

Training Options Offered for Fedline®

If you are interested in learning how to use the ACH service on Fedline, the Federal Reserve Bank of St. Louis has several training options available. In both St. Louis and Memphis there is a three-day session designed for financial institutions interested in using multiple Fedline services: funds transfer, ACH, savings bonds, electronic information services, treasury tax & loan, check services and file transmission facility.

If you are interested in using Fedline for ACH origination and/or receipt only, we also offer a one-day on-site training session. If you choose this option, Fed trainers will travel to your location and spend the day teaching you the ACH portion of Fedline. If you are also interested in on-site training for the MICR and/or TT&L services on Fedline, these can be added to your session.

Training sessions cost $300 each for new customers and include training for two people, the Fedline software and User Guide. The training cost is $150 per session for current customers wishing to retrain.

If you are interested in registering for a session or would like more information on retraining, please contact Customer Support at 1-800-333-0869 or (314) 444-8680.

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CURRENT Q&A QUESTIONS

QUESTION: We would like to use Fedline to create ACH files but we don't want to tie up our Fedline PC since we use it for other services. Are other options available?

ANSWER: The Fedline licensing agreement allows you to install Fedline software on another PC at your institution which is not connected to the Fed's host computer via a modem (i.e. an off-line PC). You can create messages and/or files, then the files may be exported or copied to a diskette and imported into the Fedline terminal that is connected via a modem to the Fed's host computer. The files or messages can then be transmitted to the Federal Reserve from your on-line terminal. For detailed instructions on setting up an off-line terminal, please contact Electronic Access Support at 1-800-333-0861 or (314) 444-8711 and request "Fedline Off-Line Terminal Instructions."

QUESTION: When returning an ACH item on EDITH, I received an error message, "no history found". What does this mean?

ANSWER: ACH items are maintained on EDITH for 10 calendar days. If the effective entry date of the item is not within 10 days of the date of the return, you will receive a "no history found" message. The item must then be returned via paper.

QUESTION: Is there a quick way to originate ACH batches using Fedline?

ANSWER: Yes, by using the Recurring Batches option in your Fedline version 2.3 software. Recurring batches will save you data entry time and enhance accuracy if you frequently originate ACH batches containing the same detail items. To create a recurring batch, you must first create an active batch containing the detail items. You then copy the active batch to a recurring batch file and assign it a unique name. Any active batch can be set up as a recurring batch, without affecting the status of the active batch.

You can also list and perform maintenance on ACH recurring batches by using Recurring Batch Tools from the ACH menu. The Recurring Batch Tools functions offer the ability to merge, sort, renumber, split, rename, delete and copy recurring batches. If you use the sort option you MUST use the renumber option afterwards. For more information on recurring batches see "Recurring Batch Maintenance Overview" on page 6-79 and "Recurring Batch Tools Overview" on page 6-157 of your Fedline 2.3 User Guide.

QUESTION: Do I need to enter the Agent Account Number when entering Savings Bonds on Fedline?

ANSWER: Yes, the Agent Account Number is a mandatory field and must include the five-digit code given to you by our Savings Bond Unit. Leaving this field blank or not entering all five digits will cause your bond order to reject at the Fed's host system. If you enter your Agent Account Number in the 'SB Config Settings' option, it will automatically be entered each time you collect and queue a bond order.

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