



FEDERAL RESERVE BANK OF DALLAS

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

HELEN E. HOLCOMB
FIRST VICE PRESIDENT AND
CHIEF OPERATING OFFICER

May 30, 2003

Notice 03-28

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

SUBJECT

Check Processing Restructuring Schedule

DETAILS

In early February, the Federal Reserve Banks announced changes to our check processing and adjustments operations. To keep you informed of these changes, we want to share with you the timeline for the restructuring of 13 check processing sites nationwide. These changes are scheduled to begin in late 2003 and conclude in late 2004.

The Federal Reserve Banks have worked together to create a schedule that takes into consideration each location's unique circumstances as well as the overall project objectives. However, several project components, such as software changes, transportation considerations, and testing, are not yet fully determined; therefore, some schedule updates may be necessary in the months to come. We will notify you as schedule changes occur.

The current schedule for check processing restructuring is listed on the following page.

Check Processing Location Changes	Month in Which Change Is Scheduled to Occur
Pittsburgh to Cleveland	October 2003
Miami to Jacksonville	March 2004
Richmond to Baltimore	April 2004
Omaha to Des Moines	April 2004
El Paso to Dallas	May 2004
Charleston to Cincinnati	June 2004
San Antonio to Dallas	July 2004
Little Rock to Memphis	July 2004
Milwaukee to Chicago	August 2004
Louisville to Cincinnati	August 2004
Columbia to Charlotte	September 2004
Peoria to Chicago	October 2004
Indianapolis to Cincinnati	November 2004

Each site will be consolidated by transferring check processing responsibilities over a multiday period involving a single weekend. The specific date for the consolidation and other operational details will be communicated no later than 120 days before the event so you can complete any necessary preparations.

This District's check adjustments operations will complete a move to the Houston office in the first half of 2004. This change should be largely transparent to your institution, as we plan to retain the current telephone numbers and e-mail addresses.

We are committed to minimizing any impact on you that comes with these changes. 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. We will provide credit for deposits that are delivered to the drop-off point prior to the published deadline and will assume the float risk if there is a receipt delay at the new check processing location. In addition, 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 the needs of the financial services marketplace. New check imaging and check adjustments technology, combined with the new standard processing platform, will enable us to maintain the high quality of check services offered to our customers. As the industry evolves, we will adapt to remain competitive and service-oriented.

MORE INFORMATION

We will continue to provide you with information regarding these changes in the coming months. In the meantime, for the latest information on check restructuring and our products and services, visit www.frbservices.org or contact one of the following Dallas Fed account executives:

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/htm/pubs/notices.html.

Sincerely,

