



## Financial Services Policy Committee

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### Federal Reserve System

#### Federal Reserve System 2008 Check Restructuring

##### Fact Sheet

**Federal Reserve check processing locations:** The Reserve Banks today process checks at 18 sites nationwide. Five other sites are scheduled to discontinue check operations this year (Kansas City, Memphis, Windsor Locks, Cincinnati, and Jacksonville) and will remain as print-only sites. Seattle will convert to a capture and print site in 2008 as well. By the end of the first quarter 2010, only four Reserve Bank locations will process checks (Philadelphia, Cleveland, Atlanta, and Dallas).

**Staff levels:** The Federal Reserve System, including the Board of Governors, employs over 21,000 staff nationwide; approximately 2,800 of these employees work in the check function.

**National check volumes:** By Federal Reserve estimates, roughly 30 billion checks were paid in the United States in 2006, down from about 37 billion in 2003, and 42 billion in 2001 (based on data from the Reserve Bank's payments study released in 2007). The Reserve Banks handled over 10 billion checks in paper or electronic form in 2007.

**Regional processing site, capture and print site, and print-only site definitions:** A regional check processing site will retain all of the functionality that exists in current processing locations. For instance, these sites will process paper checks and electronic images as well as print substitute checks, and provide reconciliation and settlement services. A capture and print site will convert all paper check items to Check 21 items, and print and dispatch substitute checks. A print-only site will print and dispatch substitute checks.

##### **Listing of specific Federal Reserve locations and check functions (as of end of first quarter 2010)**

**District 1:** Boston (head office, no check processing); Windsor Locks, Conn. (print substitute checks)\*

**District 2:** New York (head office; a payments operations center is located in East Rutherford, N.J., no check processing)

**District 3:** Philadelphia (head office, regional check processing site)

**District 4:** Cleveland (head office, regional check processing site); Cincinnati (branch, print substitute checks)\*; Pittsburgh (branch, no check processing)

**District 5:** Richmond, Va. (head office, no check processing); Baltimore (branch, print substitute checks)\*; Charlotte, N.C. (branch, print substitute checks)\*

**District 6:** Atlanta (head office, regional check processing site); Birmingham, Ala. (branch, no check processing); Jacksonville, Fla. (branch, print substitute checks)\*; Miami (branch, no check processing); Nashville, Tenn. (branch, no check processing); New Orleans (branch, no check processing)

**District 7:** Chicago (head office, the payments center is located at Midway Airport, capture and print substitute checks)\*; Detroit (branch, no check processing); Des Moines, Iowa (print substitute checks)\*

**District 8:** St. Louis (head office, print substitute checks)\*; Little Rock, Ark. (branch, no check processing); Louisville, Ky. (branch, no check processing); Memphis, Tenn. (branch, print substitute checks)\*

**District 9:** Minneapolis (head office, capture and print substitute checks)\*; Helena, Mont. (branch, print substitute checks)\*

**District 10:** Kansas City, Mo. (head office, print substitute checks)\*; Denver (branch, capture and print substitute checks)\*; Oklahoma City (branch, no check processing); Omaha, Neb. (branch, no check processing)

**District 11:** Dallas (head office, regional check processing site); El Paso, Texas (branch, no check processing); Houston (branch, no check processing); San Antonio (branch, no check processing)

**District 12:** San Francisco (head office, no check processing)\*; Los Angeles (branch, capture and print substitute checks)\*; Phoenix (cash processing facility); Portland, Ore. (branch, no check processing); Salt Lake City (branch, no check processing); Seattle (branch, capture and print substitute checks)\*

\* Capture and print sites as well as print only sites will be reviewed on an annual basis.