

# MOP High Level Summary of Changes

October 3, 2008

This high level summary of changes is intended to highlight the most significant updates to the Custodial Inventory Manual of Procedures. This document is not intended to be a comprehensive summary of all changes. All CIs are expected to be in compliance with the revised MOP by November 3, 2008.

Mop Section	Change
<p>Page 7, Section 1.b.</p>	<p><b>Revised description of Remote Vault Manager functions as follows:</b>            The Remote Vault Manager can <b>perform all functions performed by Remote Vault staff and other functions unique to the Remote Vault Manager role to include:</b> opening and closing the CI Vault, inputting payment and vault holdings data, making corrections, and viewing reports, queries, and broadcast messages for their CI site. A Remote Vault Manager may be a management representative of the third party service provider in the event a DI has outsourced its CI operation.</p>
<p>Page 8 CI Transactions #1</p>	<p><b>Added: Also, FedCash will allow a one-hour time period for keying this initial data before timing out. If FedCash times out, all previously entered data must be re-keyed.</b></p>
<p>Page 10 #4</p>	<p><b>Revised bullet #4 to reflect new procedures for corrections:</b>  <b>Any time payments data are entered incorrectly it must be corrected. Corrections can be made directly in FedCash by local CI staff (for both corrections that impact future CAP calculations as well as those that may impact prior CAP calculations for records dating back six months). The Remote Vault Manager must approve all corrections keyed into FedCash and all source documents supporting the corrections must be maintained for review by Reserve Bank staff during on-site compliance reviews. Please note that based on the significance of the change, data corrections may generate retroactive minimum holdings violations. Should a CI site encounter violations related to data corrections, they will be subject to formal counseling by the servicing Reserve Bank and should take the necessary steps to ensure violations are not repeated.</b></p>
<p>Page 11 Transfers In/Out</p>	<p><b>Added: The transfer-out-for-processing option can be used by CI sites after normal CI business hours during the standard business week (Monday through Friday) and on weekends and Reserve Bank holidays.</b></p>
<p>Page 20 Definition of Bundle Count</p>	<p><b>Expanded existing definition of bundle count:</b></p> <p><b>BUNDLE COUNT</b>  <b>A Verification count of the number of Bundles that are involved in a CI transaction.</b>  <b>A bundle count may be performed visually using the “height and depth” counting method without physically removing the bundles from the cage or container as long as the following are applied:</b></p> <ul style="list-style-type: none"> <li>▪ <b>All CI activities, including bundle counting, must be performed under CCTV coverage.</b></li> <li>▪ <b>If storing loose bundles in a cage or container, the individuals performing the bundle count need to open the cage or container and physically push around on the bundles to ensure there are no empty spaces or voids (i.e., honeycombing) effecting an accurate bundle count.</b></li> </ul>

<p>Page 20 Added term to Glossary “Bundle Storage”</p>	<p>Expanded existing explanation of bundle storage:</p> <p><b>BUNDLE STORAGE</b></p> <p><b>Bundles of CI currency may be stored in clear plastic bags as long as the following are applied:</b></p> <ul style="list-style-type: none"> <li>▪ <b>The CI currency bundles must be stored in cold or heat sealed clear plastic bags by denomination. Mixed denominations cannot be stored in the same plastic bag.</b></li> <li>▪ <b>Plastic bags must store bundles in standard increments of 1, 4, 8 or 16 bundles per bag.</b></li> <li>▪ <b>When performing a bundle count, count may be completed through the plastic bag without opening the bag, but the bundles must be able to be denominated through the bags.</b></li> <li>▪ <b>If trays are used, they must have a clear lid to ensure the contents of the tray are fully visible.</b></li> </ul>
<p>Glossary, Page 24, Definition for Remote Vault Manager</p>	<p>Revised definition of Remote Vault Manager as follows:</p> <p><b>VAULT MANAGER</b></p> <p>An employee who is part of the CI Vault’s management and who can <b>perform all functions performed by Remote Vault staff and other functions unique to the Remote Vault Manager role to include:</b> opening and closing the CI Vault, inputting payment and vault holding data, making corrections, and viewing reports, queries, and broadcast messages.</p>