

News Release

THE FEDERAL RESERVE BANK *of* KANSAS CITY

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FEDERAL RESERVE BANKS ANNOUNCE RESTRUCTURING OF CHECK PROCESSING OPERATIONS

The Federal Reserve Bank of Kansas City, in conjunction with other Reserve Banks throughout the nation, today announced a further streamlining of its check processing services.

Check processing operations at the Bank's Denver Branch will be consolidated into the Dallas Federal Reserve Bank in the second quarter of 2010. This consolidation is expected to affect 96 Denver employees.

These changes reflect the continued transition in the United States to electronic payments, away from check and other paper-based payments methods. The Kansas City Federal Reserve Bank is committed to moving its operations toward these emerging payments methods.

Other components of the restructuring announced by the Federal Reserve today include the announcement of four regional processing sites that will provide a full range of check processing services. The four regional sites will be at the Federal Reserve Banks of Atlanta, Cleveland, Dallas, and Philadelphia. As a result of this restructuring, the Reserve Banks will reduce their overall check staff by approximately 1,740 positions after these changes have been fully implemented.

The Federal Reserve Bank of Kansas City, and its branch offices in Denver, Oklahoma City and Omaha, serve the Tenth Federal Reserve District: Colorado, Kansas, Nebraska, Oklahoma, Wyoming, western Missouri and northern New Mexico. As part of the nation's central bank, the Bank participates in setting national monetary policy, supervising and regulating numerous commercial banks and bank holding companies, and providing payments services to depository institutions.

