

November 16, 2015

Revised Custodial Inventory Program Manual of Procedures will be Effective November 16, 2015

Effective November 16, 2015, the revised Custodial Inventory (CI) Program’s Manual of Procedures (MOP) will govern the operations of all Custodial Inventory sites. It is important for you, your CI Program site managers, and staff to become familiar with the new changes. The updated CI MOP and a summary of changes are now available on FRBservices.org. Please print the updated CI MOP and keep it with your CI Program materials.

The two tables below identify the changes made to the MOP. The first table summarizes revisions being introduced to the CI program, and the second table summarizes requirements that have been eliminated from the program. For each change, the specific CI MOP reference is noted for your additional review.

CI MOP Reference	What’s New?
<u>UPDATED EXHIBIT</u> CI Vault Access Log CI MOP Exhibit 1	Added brief CI MOP references to assist Remote Vault Staff (RVS) and Remote Vault Manager (RVM) team members on how to properly complete the CI Vault Access Log. <i>Action: All CIs should begin using the updated Exhibit 1.</i>
<u>NEW GUIDANCE, NEW EXHIBIT</u> CI Vault Access Log for CIs with Sealed Inventory CI MOP 3.3.3, 4.7.1, 4.7.3, 6.3.1, Exhibit 1A	Added guidance for CIs that seal CI Vault inventory that is not accessed daily in a separate cage or container. This practice provides additional efficiency when conducting the daily physical inventory of the CI Vault. <i>Action: Applies only to CIs that use or wish to use seals.</i> Note: your servicing Federal Reserve Bank (FRB) must review and approve the use of seals within the CI Vault prior to implementation.
<u>NEW REFERENCE</u> Bankers’ Bank CI MOP Introduction, Glossary	Updated policy framework to define Bankers’ Bank eligibility to participate in the CI Program. <i>No additional action needed by current CIs.</i>

CI MOP Reference	What’s No Longer Required?
<u>REQUIREMENT REMOVED</u> Corrections CI MOP 4.5.4	The CI RVM is no longer required to sign the FedLine [®] generated corrections report and no longer required to notify the FRB of a Payments or Holding Correction. All other requirements for conducting corrections to payments and holdings data remain in effect.
<u>REQUIREMENT REMOVED</u> CCTV Attestation CI MOP 5.3	Exhibit 15 is no longer required to be renewed when changes are made to the CCTV surveillance system. CIs are required to adhere to CCTV surveillance systems requirements (related to equipment and FRB notifications) on an ongoing basis.
<u>REQUIREMENT REMOVED</u> Management Audits CI MOP 6.4.4	The CI RVM is no longer required to sign the FedLine generated Unannounced Management Inventory form (Exhibit 5). All other requirements for Management Audits remain in effect.
<u>REQUIREMENT REMOVED</u> Annual Compliance Certification	The Annual Compliance Certification (Exhibit 7) is no longer required.

All CI MOP requirements not specifically mentioned in these revisions are still in effect. The servicing Reserve Banks will reach out to their respective CI Program sites to address questions about the revisions.